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2
3 IN RE THE MEETING OF THE)
4 BAY-DELTA ADVISORY COUNCIL)
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ORIGINAL

10 TRANSCRIPT OF PROCEEDINGS
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15 Tuesday, November 4, 1997 at 9:44 a.m.
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20 REPORTED BY: SUSAN PORTALE, CSR NO. 4095, RPR, CM
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MICHAEL MADIGAN, Chairman, California Water
Commission

LESTER SNOW, Executive Director

SUNNE McPEAK, Bay Area Economic Forum

ERIC HASSELTINE, Contra Costa Council

STEVE HALL, Association of California Water
Agencies

ROBERT MEACHER, Regional Council of Rural
Counties

ALEX HILDEBRAND, South Delta Water Agency

TOM DECKER, Bank of America

BOB RAAB, Save San Francisco Bay Association

RICHARD IZMIRIAN, California Sportfishing
Protection Alliance

ANN NOTTHOFF, Natural Resources Defense Council

BYRON BUCK, California Urban Water Agencies

MICHAEL SPEAR, Designated Federal Official

DAVID GUY, California Farm Bureau Federation

TOM GRAFF, Environmental Defense Fund

MARY SELKIRK, Department of Water Resources

PIETRO PARRAVANO, Pacific Coast Federation of
Fishermen's Associations

ROGER THOMAS, Golden Gate Fishermen's
Association

1 COUNCIL MEMBERS: (cont'd)

2 MIKE STEARNS, San Luis Mendota Water Authority

3 ROBERTA BORGONOVO, League of Women Voters

4 STUART PYLE, Kern County Water Agency

5 PAT McCARTY, Delta Protection Commission

6 MARTHA DAVIS, Sierra Nevada Alliance

7 MARCIA SABLON, Mayor of Firebaugh

8 HAP DUNNING, The Bay Institute

9 ---oOo---

1 (All parties present, the following proceedings were
2 had at 9:44 a.m.):

3
4 CHAIRMAN MADIGAN: Good morning. This is
5 Tuesday, the 4th of November.

6 This is the first day of a two-day Meeting of
7 the Bay-Delta Advisory Council the hour of 9:30 having
8 arrived and slipped past us ever so slightly. We are
9 underway, and the first item on the Agenda this morning is
10 for those of us who are veterans of this group to welcome
11 those who are new.

12 Now, they may not seem new to you for one
13 reason or another, but, in fact, they are at least new in
14 being entitled to wear this cute little name badge that we
15 all have been handed today, and I will make the
16 introductions.

17 To those of you whose memory goes back to the
18 Bay-Delta Oversight Council and that ill-fated endeavor one
19 of my compatriots in that effort was Martha Davis, who at
20 the time was driving the City of Los Angeles to utter
21 distraction on the question of Mono Lake and since her
22 successes in that has stayed active, in fact, I saw Martha
23 at the last meeting of the Water Commission, I guess,
24 wasn't it?

25 MS. DAVIS: Yes (affirmative nod).

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25 MS. DAVIS: Yes (affirmative nod).

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1 CHAIRMAN MADIGAN: Yeah, where she is
2 continuing to be active and involved.

3 So, Martha, it's a pleasure to -- depending on
4 how you view it to either welcome you or welcome you back.

5 MS. DAVIS: It's a pleasure to be here.

6 CHAIRMAN MADIGAN: Okay. Here will do.

7 The second is Byron Buck. Byron, as everybody
8 in the room knows, has been Director of CUWA for the past
9 few years.

10 Prior to that time served with the San Diego
11 Water Authority, has been at almost every meeting of BDAC,
12 I guess. There may have been one or two where were you
13 were called to Washington or some other place, but it is
14 always a pleasure of me as I have great respect for Byron
15 to welcome him to the table.

16 MR. BUCK: Thank you.

17 CHAIRMAN MADIGAN: Nice to see you here.

18 And Tom Decker, whom I have not previously met,
19 but whom I met this morning, who is, however, Executive
20 Vice-President with the Bank of America in Los Angeles.

21 And that perspective alone gives Mr. Decker a
22 great deal of appreciation of the State, complimented
23 apparently by the fact that although he is now serving
24 penance by living in Los Angeles he came originally from
25 the Bay Area.

1 So welcome to you as well, sir.

2 MR. DECKER: Thank you.

3 CHAIRMAN MADIGAN: We look forward to your
4 participation.

5 Welcome to all of you. Thanks for joining us.

6 We have a busy Agenda and much to accomplish
7 over the next year.

8 Lester, do you want to kick off the ERPP
9 Scientific Review Panel Update?

10 Oh, wait. Before do I that, before I do that,
11 let me remind everybody of a few housekeeping items.

12 Number one, if you wish to speak today, there
13 are speaker slips in the back and probably at the front
14 door.

15 Please fill them out so we know who to call and
16 harass late at night.

17 For those of you who want to be heard on a
18 specific item there will be an opportunity for you to be
19 heard at that time.

20 For those of you who have comments of a more
21 general nature there will be an opportunity for that during
22 the course of the day as well.

23 We expect to break sometime around 12:45. For
24 lunch for those members of the BDAC lunch will be where,
25 somebody? Sharon?

1 MS. SELKIRK: Downstairs.

2 CHAIRMAN MADIGAN: Downstairs. Great.

3 We'll get more information to you than that no
4 doubt by the end of the morning. There are also
5 restaurants in the area for those of you who won't be
6 joining us for lunch.

7 I have asked that two items be added to the
8 Agenda this morning.

9 Eric and I talked before the meeting this
10 morning about some questions in his workgroup and I want to
11 get those out and I want to have everybody have a chance to
12 think about them overnight so that -- well, it's my hope
13 that we get as many questions raised and issues identified
14 today as possible, recognizing that we have a date as well
15 tomorrow because we are getting very close to that time
16 when we are going to start putting things in a box and that
17 box is going to start getting smaller (indicating) and the
18 usual rules of physics apply when that happens.

19 As Eric pointed out, people start bumping into
20 each other and we all understand that the temperature goes
21 up when you start doing that as well.

22 It's that time in the process and, therefore,
23 we need to get questions and issues out and Eric has
24 several that he would like to array for you.

25 As well I've asked for an ag urban negotiation

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1 update, and, Byron, I don't know whether you or Steve
 2 Hall -- if Steve gets here would be the appropriate
 3 individual but between the two --
 4 MR. BUCK: I think we can tag team that
 5 with others in the audience.
 6 CHAIRMAN MADIGAN: Okay. All right. That
 7 will be very helpful. Let's see. Okay.
 8 That's business. You want to do the Scientific
 9 Review Panel Update before the conflict of interest?
 10 (Inaudible)
 11 Okay. Mary, could we take the conflict of
 12 interest item first?
 13 MS. SCOONOVER: You bet.
 14 CHAIRMAN MADIGAN: Okay. Thank you very
 15 much.
 16 MS. SCOONOVER: Good morning.
 17 My name is Mary Scoonover. I think I've had an
 18 opportunity to meet all of you, including the new members.
 19 I'm here to talk to you about conflict of
 20 interest again.
 21 We discussed this in the spring, again this
 22 summer and I sent out a reminder notice in the package, in
 23 the very hefty phonebook size package, that you got in
 24 advance of the meeting today.
 25 The reason the issue is coming to the fore this

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1 morning is that BDAC will be asked to review the funding
 2 package for ecosystem restoration projects today this
 3 morning, and conflict of interest laws, as you know, and as
 4 we've discussed before, prevent an official from
 5 participating in making a contract in his or her official
 6 capacity and also benefiting financially from it in his or
 7 her personal capacity.
 8 We have identified that anyone who has
 9 submitted a proposal in response to the RFP for ecosystem
 10 restoration should not participate in any discussions on
 11 this matter today.
 12 What this -- there are specific exemptions
 13 within the statute and I've spoken to a number of you about
 14 them and abstention is an appropriate response.
 15 What this is is an opportunity for those of you
 16 who have potential remote interests to identify them and
 17 announce that you will abstain from participating in this
 18 Agenda item for the purposes of reviewing the package
 19 today.
 20 There is a requirement under the law that these
 21 statements be made on the record and so the court reporter
 22 will take down those statements today.
 23 I would suggest a very simple format, simply
 24 your name, the nature of your potential conflict, and the
 25 fact that you will be abstaining from participation, and

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1 that's pretty much the extent of my introductory comments
 2 unless there are specific questions.
 3 CHAIRMAN MADIGAN: Are there questions
 4 before we move on?
 5 Byron.
 6 MR. BUCK: Would it be appropriate to make
 7 those abstentions now?
 8 CHAIRMAN MADIGAN: Well, that's the
 9 question.
 10 Do you want to do that now, Mary?
 11 MS. SCOONOVER: Yes, in advance of the
 12 discussion of the Ecosystem Restoration Funding Package.
 13 CHAIRMAN MADIGAN: Okay. Ecosystem
 14 Restoration Funding Package, conflicts of interest, remote
 15 conflicts of interest.
 16 Starting with Byron.
 17 MR. BUCK: California Water Agencies
 18 serves as an administrator for the California Water
 19 Conservation Council. That's an administrative role, not a
 20 policy role. We simply help run their office and staff
 21 them.
 22 The Council has submitted a proposal for
 23 certain water conservation activities and, therefore, I
 24 will abstain from the discussion.
 25 CHAIRMAN MADIGAN: Roberta.

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1 MS. BORGONOVO: I got this call from Mary
 2 and I called her back and I did not see a potential
 3 conflict but I do serve on the steering committee for the
 4 California-Urban Water Conservation Council. So if that is
 5 a remote conflict, I will also abstain.
 6 CHAIRMAN MADIGAN: Tom.
 7 MR. GRAFF: Mary, Tom Graff.
 8 I have no idea whether EDF has a potential
 9 conflict or not but in an abundance of caution I will also
 10 abstain, noting that -- maybe this isn't even
 11 appropriate -- the level of review that we are asked to do
 12 doesn't kind of -- I think, warrant this kind of caution
 13 but since the issue has been raised we'll just be silent
 14 when the matter comes up.
 15 CHAIRMAN MADIGAN: Pietro.
 16 MR. PARRAVANO: I am a member of a group
 17 that submitted a proposal for funding for habitat
 18 restoration on Butte Creek so, therefore, I will be
 19 abstaining from any discussion.
 20 CHAIRMAN MADIGAN: Bob.
 21 MR. RAAB: I'm involved in a number of
 22 organizations that submitted proposals, but my capacity are
 23 all nonprofits and I wasn't crystal clear yesterday when we
 24 spoke on the phone, Mary, about the fact that I just act in
 25 an advisory capacity.

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1 I sign to nothing, but I just -- I pass along
2 information. I help accumulate documents and reproduce
3 them.

4 I drove my car up here to deliver some of
5 them --

6 CHAIRMAN MADIGAN: This is getting pretty
7 remote.

8 MR. RAAB: -- but I still feel that I have
9 no conflict of interest. I still feel that I fit in
10 the -- is it disinterest or uninterest?

11 MS. SCOONOVER: Noninterest.

12 MR. RAAB: Noninterest. I really am
13 interested.

14 But I will vote unless you say that I can't.

15 MS. SCOONOVER: As we discussed
16 previously, Bob, it appears that you do fit into the
17 specific exemption for a noninterest.

18 You have declared that interest for the record,
19 as you are obligated to do so, but you are now free to
20 participate in the discussions of this Agenda item.

21 MR. RAAB: Thank you.

22 CHAIRMAN MADIGAN: Anybody else?
23 This is the appropriate time.

24 MS. NOTTHOFF: Well, I'll just ask the
25 question.

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1 CHAIRMAN MADIGAN: Ann.

2 MS. NOTTHOFF: Do we have a list of
3 everybody?

4 Am I just supposed to know every proposal of
5 the hundreds that have been submitted so that I could
6 identify if there was anything that I had no involvement
7 in?

8 MS. SCOONOVER: The standard in the
9 statute is a knowing violation which means known or should
10 have known so it's a reasonable person standard.

11 If your entity submitted a proposal and it's
12 something that you should have known about or a reasonable
13 person in your position would have known about, that's the
14 standard.

15 It doesn't require a complete knowledge of
16 every proposal that was submitted or anything extraordinary
17 but rather a reasonable person standard.

18 CHAIRMAN MADIGAN: Okay. Bob.

19 MR. MEACHER: So I would assume that if
20 information became available during the discussion that any
21 member could at that time make it known that there might be
22 a conflict?

23 MS. SCOONOVER: That's correct.

24 I don't imagine that anything would occur in
25 the discussion today to indicate to a member that a

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1 previously unknown conflict or potential conflict exists.

2 It basically is the information that you had
3 when you walked in here today, is the basis upon which that
4 I'm asking for a declaration.

5 CHAIRMAN MADIGAN: Anybody else? All
6 right. Mary, are you satisfied?

7 MS. SCOONOVER: Yes. Thank you.

8 CHAIRMAN MADIGAN: Thank you very much.
9 Thank you for bringing it to our attention and
10 thanks to everybody for taking this with the care and
11 consideration with which it needs to be taken.

12 Byron.

13 MR. BUCK: Restoration coordination under
14 three --

15 CHAIRMAN MADIGAN: Yes.

16 MR. BUCK: Just only that.

17 CHAIRMAN MADIGAN: Okay. Moving back then
18 to the ERPP Scientific Review Panel Update, Lester, do you
19 want to introduce it?

20 EXECUTIVE DIRECTOR SNOW: Yeah, I'll make
21 just a couple brief comments.

22 As you recall, several months ago we indicated
23 that we wanted to have an outside technical scientific
24 review panel of the ERPP to evaluate kind of the foundation
25 of the program and make suggestions for improvement as we

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1 move forward into increasing detail for the program.

2 That review did take place and we have received
3 a report from the Science review panel.

4 Scott McCreary, who has worked with us for some
5 time, was the coordinator for the panel and worked with the
6 panel members and is here this morning to give us an
7 overview of how the panel discussions went and what the
8 basic findings were from the Scientific Review Panel.

9 Scott.

10 SCOTT MCCREARY: Great, thanks, Lester.

11 Now, I think that probably many of the members
12 of BDAC are familiar with the impetus for the scientific
13 review of the ERPP.

14 Okay. I think many of you are familiar with
15 the scientific impetus for the scientific review of the
16 ERPP. This is a very ambitious three-volume document and
17 as you'll shortly see from some of the panel reflections,
18 it is, in fact, the most ambitious ecosystem restoration
19 program in the United States.

20 Going back to Phase II of the -- or Phase I of
21 the CalFed Program many of the stakeholders called for an
22 independent evaluation of the ERPP and in the spring of
23 this year CalFed staff agreed to go forward with this idea
24 and we began working quite closely with the steering
25 committee of CalFed Agency staff and also with the BDAC

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1 Ecosystem Workgroup and began to set the format and content
2 of this review.

3 So what I would like to do in this next brief
4 presentation is to set the context for the review, convey
5 to you some of the panel reflections on this event that was
6 held October 6th through 9th right here at the convention
7 center and also preview the report and convey the next
8 steps in the review of this document by the Ecosystem
9 Workgroup and then back to you.

10 This is the first of two presentations that
11 I'll be making to the full BDAC.

12 This one is to give a preview and then in
13 December we anticipate coming back to you with the comments
14 of the Ecosystem Workgroup on the full report. So those
15 are the objectives for this brief presentation.

16 As I said, the impetus for this review is that
17 we recognize, the stakeholder community recognize that this
18 is perhaps the most ambitious ecosystem restoration plan
19 ever contemplated in the United States and it was felt that
20 while CalFed staff had brought together a lot of very good
21 information and had substantial expertise there would be
22 real benefits in having an outside scientific evaluation
23 and the endorsement for this outside review, in fact, came
24 from across the stakeholder community.

25 I know Lester received from letters that were

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1 jointly signed by representatives of the agricultural urban
2 and environmental interest groups so there was very broad
3 support for this activity.

4 The scope and focus of this review were very
5 broad. They were on the planning concepts, the scientific
6 underpinnings and the basic structure of the ERPP.

7 There was a decision made and a widespread
8 agreement reached early on that we really wanted to bring
9 in independent scientists.

10 That is, scientists not aligned with any one
11 stakeholder group and, in fact, not even conducting
12 research in the Bay-Delta system. So based on that
13 decision it was necessary to structure the panel's review
14 not on specific questions but rather on the broad concepts
15 and the structure of the document.

16 The deliberations of this panel took place over
17 four days, and here is the structure that we used.

18 We created a series of 12 broad questions and
19 we asked the panelists to consider the questions after a
20 short presentation from CalFed staff so Dick Daniel or
21 Sharon Gross would make a 10 to 15 minute presentation to
22 set the context, we'd pose the question and then the panel
23 would deliberate. It was my job as Panel Facilitator to
24 sum up the results of these deliberations.

25 Now, assisting the Scientific Review Panel was

1 a group of 15 to 20 technical advisors. These advisors did
2 have expertise in the Bay-Delta system. Many of them, in
3 fact, are aligned with CalFed agencies or with stakeholders
4 active in this process and their role in the scientific
5 review was to fill in with more system specific knowledge
6 if the panelists needed that in the course of their
7 deliberations.

8 We also had opportunities for public
9 involvement at several stages. On every single day of this
10 panel review we had an hour for public comment. We also
11 took public comment at the end of each question, both on
12 speaker cards and we invited members of the audience to
13 come forward and pose questions to the panel.

14 Nevertheless, the main focus of this activity
15 was on the panel themselves.

16 The panelists numbered eight altogether. We
17 had people from a range of ecological and hydrological
18 disciplines. We had experts in wetland restoration,
19 ecological processes, hydrology, botany, we had many
20 experts in adaptive environmental management, which is a
21 major focus of the ERPP.

22 All of the panelists hail from either
23 universities or independent consulting organizations, all
24 of them had doctorates and collectively they had a very
25 substantial body, both of publications and research so it

1 really was quite an eminent panel that we put together.

2 Not surprisingly because the panel's report has
3 not, in fact, been issued yet there are many different
4 interpretations of what the panel said in the stakeholder
5 community and being bantered about in Sacramento so I felt
6 as Panel Facilitator it would be useful to ask the
7 panelists themselves what they thought of the overall event
8 and what they thought some of the overarching
9 characteristics were of the ERPP so I have some quotes from
10 three of the panelists that I got yesterday.

11 Chris D'Elia, who is a Professor at the
12 University of Maryland, said it is absolutely clear that
13 the CalFed ERPP is an enormously important and ambitious
14 activity on the national level.

15 The difficulty is in its complexity in ensuring
16 that there is a focused attempt to integrate -- sorry -- to
17 integrate research with management needs and he felt that
18 the advice that the panel gave would be very helpful in
19 helping with the implementation of the ERPP. So that was
20 Chris D'Elia's comment. Chris is very active in working on
21 the Chesapeake Bay.

22 He is also the Director of the Maryland Sea
23 Grant Program so he sees the need to balance science and
24 management all the time in his work.

25 Now, another panelist who commented is

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1 Dr. Paul Angermeier. He is at Virginia Tech and also very
2 active in the Chesapeake.

3 He has a particular specialization in creating
4 indicators to measure ecosystem improvements and he noted
5 that the breadth and the complexity of this project is more
6 demanding than anything that's been done or is being done
7 in the United States and he really commended CalFed staff
8 from that standpoint.

9 He also said, well, the tone of this report is
10 a bit critical but bear in mind that that's the way
11 scientists work. They respond in critical ways. That's
12 how they give useful critique and feedback on research
13 projects and papers, and then one more comment more on the
14 event itself from Joy Zedler.

15 Joy is a specialist in wetland restoration out
16 of San Diego State, moving on to take the Luna Leopold
17 Chair in ecological restoration at the University of
18 Wisconsin. She said she felt this was a very positive
19 experience. Not only was the Committee thoughtful but
20 CalFed staff and agency experts were very receptive to
21 input.

22 Now, a number of the panelists commented that
23 they had been on other activities of this kind. This group
24 of eight reaches an unusual level of consensus amongst
25 themselves and in fact all of the advice and

1 ecological zones covered by this plan. There could be a
2 rehabilitation emphasis in some zones or in some watersheds
3 and in other cases for a particular species we might really
4 been talking about restoration. This is not just a
5 semantic issue.

6 It really does go to the core of what the goals
7 are with the ERPP. Another recommendation was to simplify
8 and clarify the focus.

9 Lessons were drawn from other ecosystem
10 restoration, notably in the Chesapeake Bay, and it was
11 pointed out that in the Chesapeake in the early days of
12 work there there were really only two or three broad goals
13 that drove the whole program.

14 The point was also made that a simple focus
15 makes it much easier to communicate the program goals to
16 the public and thereby raise public support for the
17 program.

18 Another point that was made is that this
19 document and this plan needs to be structured around
20 conceptual models.

21 There needs to be some idea about how the
22 system works and the suggestion was made to build
23 conceptual models of three scales. The first broad scale
24 is literally the whole ecosystem and that's a very
25 challenging thing to do.

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1 recommendations presented today and in the report are a
2 consensus of the full panel.

3 So the way the panel structured its work was to
4 answer these 12 questions and then they decided they wanted
5 to caucus so they broke off the public meeting
6 two-and-a-half days into the activity.

7 They spent about half a day caucusing,
8 reviewing their findings and recommendations and they came
9 up with another set of about six or so recommendations that
10 were presented on the final day of the panel, and what I
11 want to do very briefly is just summarize what some of
12 those main recommendations were.

13 The first was a concern about the word
14 restoration. The suggestion was made to CalFed staff to
15 really choose whether we are talking about a true
16 restoration path which is a return to historical conditions
17 and native species or whether, in fact, in some systems or
18 some parts of this ecosystem we are really talking about
19 rehabilitation, which would talk about perhaps building up
20 the populations of striped bass or other introduced species
21 and the point was made that this really does have some
22 fairly significant public policy consequences for the whole
23 program.

24 The point was also made this choice does not
25 have to be made for the whole Bay-Delta. There are 14

1 A second scale is to look at a more specific
2 portion of the ecosystem and this diagram started out as
3 the sort of scientific equivalent as a back of a napkin
4 sketch. Joyce Zedler (phonetic) and Michael Barber, two of
5 our panelists, during their afternoon deliberation actually
6 sketched this out in about half an hour to try and explain
7 the relationship between creating tidal marsh or choosing
8 to maintain land in a dike seasonal wetland kind of
9 environment and what the consequences would be, what the
10 outputs would be in terms of both the functions of the
11 ecosystem and in terms of the wildlife that would be
12 accommodated.

13 So they made the simple representation of a
14 model and suggested that CalFed staff try and build the
15 revised ERPP more around models of this kind.

16 Now, in the third scale there are models that
17 are quantitative and predictive. They didn't give examples
18 of those but the consistent advice here is have a clear
19 vision of cause and effect relationships, show it
20 graphically and draw in it a format that the public can
21 understand.

22 One of the other very consistent and major
23 pieces of advice from the panel was the need to embed
24 outside scientific expertise in the adaptive management
25 process.

1 Adaptive management to be effective requires
2 stating testable hypotheses, doing experiments and
3 monitoring results. Now, that's the ideal. We can't
4 always run all ecosystem restoration projects as a
5 controlled experiment but certainly we can monitor the
6 results. We can state what we hope will happen. We can
7 monitor the results and see if in fact they materialize.

8 One of the strong emphases of the panel was the
9 need to bring in scientific experts from outside, not
10 aligned experts on a regular basis and the suggestion was
11 made that they could do that in revising the document but
12 also in pointing new directions in the program and even
13 perhaps in reviewing funding proposals which gets to some
14 of the more short-term aspects of implementation.

15 So they felt very strongly that outside
16 expertise should be embedded in this program. Now I'm
17 going to just very briefly touch on some of the themes that
18 are going to be appearing in this report.

19 I'll not go into these other ones in as much
20 detail but one is to structure the adaptive management
21 program based on scientific analysis hypothesis testing and
22 monitoring so really building a scientific method into
23 adaptive management.

24 It's not enough just to invoke the term. We
25 have to be serious about it said the scientists and really

1 There is some very specific advice for
2 structuring indicators and also advice on structuring the
3 adaptive management program.

4 Some of the other topics that we'll --

5 MR. GRAFF: Can you explain what you mean
6 by that?

7 SCOTT MCCREARY: Sure, the appropriateness
8 of the overall planning approach.

9 We have structured a series of a dozen
10 questions to guide this panel's review and in fact the
11 first question was can you comment on the appropriateness
12 of the overall planning approach and that elicited a whole
13 lot of commentary about the need to build conceptual models
14 into the planning approach, the need to simplify the goals
15 and perhaps reduce them in number, make them more
16 quantifiable.

17 There were comments on the need to embed this
18 adaptive management approach throughout the document and
19 really state testable hypotheses. So this first question,
20 in fact, elicited answers to many of the subsequent
21 questions.

22 And while there was praise for the scope and
23 level of effort that had gone into the overall planning
24 approach there were numerous comments about how to
25 strengthen it and make it more effective.

1 do the science. And as I said, incorporate independent
2 science in the structure of the ERPP. They even went on to
3 say there should be a standing science body.

4 There should be a group of scientists that come
5 together on a regular basis, advise CalFed and perhaps
6 there should be a rotating membership for this standing
7 body. Concern was expressed based on the experience in the
8 Columbia River system that if the same scientists keep
9 meeting time and again they essentially become captives of
10 the program or of each other, that they give each other
11 grants, that they don't maintain their true neutrality and
12 independence and so the suggestion was made to have a sort
13 of rotating membership on the standing science body and
14 constantly pull in new scientists.

15 There was also a concern that the ERPP perhaps
16 understated the extent of conflicts, both scientific and
17 policy in nature and that there needs to be a more explicit
18 effort to acknowledge where those conflicts occur, analyze
19 their basis and resolve them and they thought that that
20 perhaps could be one of the functions of this standing
21 science body.

22 So some of the other topics that will come up
23 in the report there are comments on the appropriateness of
24 the overall planning approach, there are some suggestions
25 for strengthening the ecological vision.

1 Is that responsive to your question?

2 MR. GRAFF: Yes. I mean, the question is
3 whether to the inappropriateness or not.

4 SCOTT MCCREARY: Well, I think the sense
5 of the panel was many aspects of the planning approach are
6 very appropriate, but there are ways to make it even better
7 and most of the questions that we posed were not yes or no.

8 They were can you comment on this? How can you
9 strengthen it so that most of the panel's report and I
10 believe you'll get copies of it this afternoon, has the
11 tone of strengthening the ERPP rather than saying it's
12 exactly right or it's completely wrong.

13 I think I went through these already. One of
14 the things that Dick has been particularly interested in is
15 the whole question of the appropriateness of the hybrid
16 approach to setting targets for ecosystem restoration and
17 one of the practical reasons for using a hybrid approach is
18 frankly the limitation of data. We just don't have good
19 population data on a lot of species in the system.

20 One of the things that we heard from the panel
21 is, in fact, hybrid approaches have been used in many
22 ecosystem restoration programs, however, they've been
23 driven by conceptual models, testable hypotheses and clear
24 or more focused statements of goals. So the --

25 MR. HILDEBRAND: Could you define hybrid

1 approach, please?

2 SCOTT MCCREARY: The hybrid approach,
3 Dick, perhaps you can amplify this if I blow it, but one
4 opportunity for stating targets for ecosystem restoration
5 is to say let's just go back to historical conditions.
6 That's one way of setting targets.

7 Another way of setting targets is let's really
8 emphasize threatened and endangered species. They really
9 need help and so on.

10 Dick, do you want to amplify that a bit?

11 MR. DANIEL: Yes, I would.

12 Working through the BDAC ecosystem workgroup we
13 came to the conclusion that we really didn't have a natural
14 model to establish our targets, that we couldn't go back to
15 pre-disturbance and, in fact, that sort of responds to the
16 honesty statement about how we ought to call this a
17 rehabilitation program as opposed to a restoration program.
18 Fortunately, I can keep the same acronym in the process of
19 doing that.

20 But what the workgroup concluded was that in
21 some cases, particularly where we are looking at ecosystem
22 processes and functions using a natural model to try and
23 emulate these natural processes in the ecosystem was a good
24 idea.

25 The workgroup also then suggested that we could

1 of the more desirable introduced species were in the
2 system, that we had to know that, recognize the
3 limitations on the system associated with that and in
4 particular with regard to the invasive species put together
5 a plan that would effectively reduce the rate of
6 introduction and more feasible deal with conflicts from
7 invasive species but recognize that in some cases we have
8 to live with them.

9 CHAIRMAN MADIGAN: Anybody else?

10 Byron, did you have a question?

11 MR. BUCK: (Negative headshake)

12 SCOTT MCCREARY: Okay. A couple of other
13 final themes that will appear in the panel's report.

14 They did address the question of the
15 appropriateness of the relationship between targets and
16 implementation objectives and they actually very much liked
17 the format that the CalFed staff used in the ERPP in
18 portraying this relationship but they also suggested ways
19 to strengthen it by adding some particular detail and
20 making some choices about what targets and what
21 implementation objectives were really highlighted.

22 Also, this question elicited some commentary
23 about restructuring the sequence of the document itself in
24 restructuring the contents of volume one the suggestion was
25 made perhaps the volume one should be not the sort of

1 use a more recent historical period, the early '60's, the
2 early '70's, what have you, where we had population data on
3 our species and where the scientists agreed that there was
4 some appropriate degree of balance between the amount of
5 development in the system and the population response from
6 many other species that are now endangered.

7 A third method that we used and was agreed upon
8 by the workgroup was the concept that we diagnose a problem
9 and provide a prescription to resolve that problem. The
10 typical example is unscreened diversions. The diagnosis is
11 there is you are losing fish to unscreened diversions. If
12 you screen it, that will resolve that illness or problem in
13 the ecosystem and you can go forward.

14 Frankly, I was a little concerned about how the
15 scientific community might respond to this multi-variant
16 approach of developing targets. They said it's a practical
17 response to the lack of data and to the concerns in the
18 system. They were really quite supportive of that.

19 MR. HILDEBRAND: How did the panel deal
20 with the growing problem of the growing population of
21 exotic species?

22 MR. DANIEL: They wanted us to acknowledge
23 that, to deal with the fact that in addition to those that
24 you characterize as problem species, the invasive species
25 that we were not going back to a period in time before some

1 Executive Summary that we saw perhaps in earlier drafts but
2 rather it should give an overview of the whole program
3 along with timelines and some of the trade-offs inherent in
4 implementing the program. So give volume one or the first
5 part of the document or the description of the program a
6 bit more of an implementation focus.

7 There was a very interesting and lively debate
8 about the appropriateness of the geographic scope and the
9 tiering of actions.

10 The panel had different points of view on this
11 question and I would say this was the one question where we
12 really did hear divergence of opinion. In the end what the
13 panel said was the tiering approach seems appropriate.
14 However, CalFed has not quite made the case, has not made a
15 defensible case as to why we need all these tiers.

16 Now, there were some voices on the panel who
17 said let's stay close to home, let's focus on the Central
18 Delta, let's really not spread our resources too thin even
19 though the resources for this program are very significant.
20 Others said this is our best hope for going after the
21 tributaries and the watersheds. The point was made that
22 wetlands in central and south San Francisco Bay can be
23 refugia for certain wetland species so those panelists
24 argued for a broader scope so there was a real on the one
25 hand or on the other hand kind of a tug on this question.

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1 On the point about advice for clarifying and
2 resolving conflicts again the panel felt that the document
3 perhaps did not fully acknowledge some of the conflicts and
4 did not trace their basis. Why are there conflicts between
5 reaching different objectives and what are some of the
6 trade-offs inherent in trying to resolve those?

7 Another very big topic of discussion was advice
8 on the role of hydrological analysis. One of the members
9 of our panel was Tom Dunn.

10 Tom co-authored the book with "Water and
11 Environmental Planning" with Luna Leopold and is really one
12 of the eminent hydrologists in California and took it upon
13 himself to write quite a lengthy answer to this question
14 but very briefly he said, you know, classically hydrology
15 focuses on water, on volume of water, duration of flow
16 events, depth and things of that nature, but there is a
17 whole other aspect of hydrology, the movement of solids
18 down the system, the geomorphology of the river channel he
19 said really has not been given equal weight or equal
20 attention.

21 We need to bring both of those sets of analyses
22 and models together and those two sets focusing on the
23 water and the solids need to come together with ecological
24 analysis to really answer the question what kind of a
25 hydrograph will generate the kind of ecological restoration

1 So here is where we go next with this..

2 We will distribute the panel's report and I
3 believe the objective is to distribute the report tomorrow
4 or perhaps even this afternoon and you'll see that the
5 panel's advice has three parts to it. One are some of the
6 main themes that I very briefly presented here.

7 The second is a set of additional
8 recommendations that the panel made and the third part of
9 the advice is a response to every one of 12 questions that
10 we posed. So you'll have that full report.

11 Our plan is to review the results of this
12 report at the November BDAC ecosystem restoration workgroup
13 and then to bring comments from the workgroup and the full
14 report back to you for a more extensive discussion at your
15 December meeting.

16 Staff is already, of course, reviewing the
17 panel's recommendations contemplating how to incorporate
18 that in the next round of the ERPP document and in the
19 draft preferred alternative but we'll continue
20 deliberations on those points as well.

21 So that's -- that concludes my presentation.
22 I'd be happy to answer any questions.

23 CHAIRMAN MADIGAN: Questions? Byron, then
24 Ann and Bob.

25 MR. BUCK: Back on the question of

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1 that we are looking for. So it was a very interesting and
2 fairly complex discussion.

3 There were also points about strategies to
4 address scientific uncertainty and, as I said, there was a
5 strong feeling that some of the scientific conflicts need
6 to be laid out more clearly and that we need to trace the
7 basis of those conflicts back to data or assumptions or
8 different analytic methods and that this is one of the
9 things the science body could contribute.

10 And on advice to strengthen implementation
11 there was a very strong message that public involvement and
12 public support is just as important as science in
13 implementing this kind of a program and the case was made.
14 Simple indicators, clear goals, short statements, a clear
15 implementation path are absolutely essential to building
16 that kind of public support and that can really strengthen
17 implementation and finally the panel said we'd like to
18 continue to interact with CalFed. They felt as you can see
19 from the initial quotes that this was a very useful
20 activity.

21 Though, the panel ranges across the United
22 States we do have three Californians and two Nevadans who I
23 think are in ready striking distance of Sacramento and
24 there really is interest on the part of the panel to
25 continue to be involved with the CalFed Program.

1 Geographic Scope you mentioned that some of the panelists
2 argued for maybe shrinking the scope.

3 Did they give any biological criteria or the
4 justification as to where you might draw that line?

5 SCOTT MCCREARY: On the contrary, they
6 felt that the justification for including the upper
7 watershed had not been made as clear as it could be. There
8 was a specific critique made that the role of fire is given
9 extensive coverage in the document but there is not a case
10 made for the role of fire, for example, in shaping the
11 ecosystem. So they weren't giving biological criteria for
12 setting the scope.

13 Rather they were saying set the scope based on
14 these conceptual models based on some testable hypotheses,
15 have some clear cause and effect relationships in your mind
16 that justify setting the scope and the tiering of actions
17 that's laid out in the plan.

18 CHAIRMAN MADIGAN: Okay. Ann.

19 MS. NOTTHOFF: I want to compliment CalFed
20 staff for putting together this panel which I think really
21 has brought to light a lot of really important and serious
22 recommendations that I think we need to take very seriously
23 and I guess as far as the response I certainly would hope
24 that we'll see something that's like an EIR/EIS, you know,
25 with the comments of the panel laid out and then CalFed's

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1 response to that and then we'll see how, you know, how the
2 document is change based on the consideration of that
3 specific comment so that we can trace the justification for
4 decisions made at the staff level.

5 CHAIRMAN MADIGAN: Okay. Hold that
6 thought for a minute.

7 Scott, do you want to respond to that first
8 part, I mean, in terms of how you would expect this
9 document to look and read?

10 SCOTT MCCREARY: Well, I think that the
11 response partly needs to come from staff.

12 I do want to make an observation.

13 The panel would like these recommendations to
14 be taken seriously as soon as possible and in the next
15 round of documents.

16 However, the panel also acknowledges that a lot
17 of this advice goes to the implementation of the ERPP and
18 so it may not find its way into the next round of CalFed
19 documents.

20 CHAIRMAN MADIGAN: Dick.

21 MR. DANIEL: Yeah, am I on? It will be
22 our responsibility to provide the response and to develop
23 modifications to the program that are appropriate.

24 Of course, we didn't really anticipate all of
25 the comments that came from the panel. If that had been

1 addition to responding to the scientific panel's comments I
2 want to hear what the Ecosystem Restoration Workgroup feels
3 about the report, the degree to which they think the
4 modifications are necessary and appropriate, whether or not
5 they want to add additional comments and then BDAC as a
6 whole. So it's a process that's going to take a little
7 time.

8 We'll do the best we possibly can, but I don't
9 anticipate that we'll have an effective rewrite based on
10 the scientific panel's comments by the mid-January date
11 that we have for putting out our programmatic EIS/EIR.

12 CHAIRMAN MADIGAN: Ann, it's still your
13 turn.

14 MS. NOTTHOFF: Because one of the things
15 that stands out here I think in their recommendations is
16 despite the fact that these are technically able people
17 they really focused a lot on how do you communicate a
18 vision to the public and the importance of being able to
19 communicate that and to paint a picture that will generate
20 enthusiasm and support in the public process so that I
21 would encourage us to have something new and something that
22 is graspable when we get the new -- the draft documents out
23 so that we are not once again in a position of trying to
24 explain this three volume material to the public. The
25 other thing --

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1 the case, then there wouldn't have been much of a need to
2 have the panel.

3 What I did last Friday evening after we got a
4 draft of the plan is sat down with Lester and talked about
5 what I thought we needed to do. He provided his input in
6 terms of his suggestions as to how we need to go. He's
7 directed me to put together a small group of stakeholders
8 and agency scientists to review the plan, put together a
9 work plan for responding to these comments and
10 incorporating them into the ERPP and a subsequent budget to
11 support that work plan.

12 He has suggested, and I fully agree, that we
13 bring in some additional expertise from outside, experts in
14 developing conceptual models, experts in developing
15 indicators of ecosystem help and then we put together a
16 comprehensive response -- I hate to call it response but
17 rather incorporate these ideas effectively into the ERPP.

18 That will take time. That will not be done in
19 time to incorporate it into the draft programmatic EIR/EIS.
20 These scientific experts are not readily available over
21 Christmas.

22 He is not here despite Lester's attitude about,
23 well, they could take Christmas day off and we don't have a
24 budget yet prepared to pay for this work so it is going to
25 take a little time. We are committed to doing it in

1 CHAIRMAN MADIGAN: Did you want to respond
2 to that, Dick?

3 MS. NOTTHOFF: -- I'd like you to think
4 about.

5 MR. DANIEL: We'll do what we can, but we
6 have to be realistic in terms of the time frame. We've
7 already developed quite a number of these conceptual models
8 for increments of the plan.

9 Nobody has ever put together a comprehensive
10 ecosystem model for a system anywhere near this big. This
11 is going to be a real challenge.

12 CHAIRMAN MADIGAN: Good.

13 MS. NOTTHOFF: I appreciate that.

14 In terms of process I'd just throw out the idea
15 of trying to combine this new stakeholder workgroup or
16 maybe revamp the Ecosystem Workgroup, the BDAC Ecosystem
17 Workgroup so that we don't have two separate processes
18 looking at this.

19 The Ecosystem Restoration Workgroup is designed
20 to be multi stakeholder. I think it would definitely
21 benefit from having some of the outside expertise that
22 Dick's referred to here and I think that would be an
23 efficient way to involve BDAC in that more.

24 CHAIRMAN MADIGAN: Yeah, I think we need
25 to look at that. That's a good point.

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1 Bob.
2 Thank you.
3 MR. MEACHER: I think that mine's probably
4 more of a comment than a question. It's going to focus on
5 the geographical scope and before I make my comment I want
6 to let the BDAC Board know where I'm coming from.
7 I sat on the Sierra Nevada Research Project,
8 which were the stakeholders that formed the questions for
9 the scientists to study in the Sierra Nevada Ecosystem
10 Project.
11 I was a key contact in that project for the
12 rural counties within the Sierra Nevada and was also in
13 Placerville and El Dorado when they came out with their
14 final findings.
15 I hold it very suspect that a scientist would
16 take economic considerations into making a determination
17 whether or not something's worth doing. To say that you
18 only have so much money so we are not even going to look at
19 this area or it's not important because you don't have it
20 in your budget to me is not good science. If you are asked
21 to look at something you should look at it and not worry
22 about where the money's coming from to do it.
23 You certainly did not do that in the Sierra
24 Nevada Ecosystem Project and to further state that there
25 wasn't the information or, Scott, you can elaborate on it,

1 incorporate this into the ERPP at this time of year on
2 short notice is virtually impossible.
3 We can make the commitment in the draft
4 EIR/EIS. A lot of what the panel suggested to us is simply
5 a matter of documenting the process that we went through.
6 Frankly, a lot of that is in the computer. One of the
7 comments that Scott didn't make that's in the draft report
8 that I read was, you know, you need to cite more
9 references.

10 I made a mistake and told the staff well, let's
11 keep the number of references down to a manageable level.
12 They are all in the computer. We can regenerate them.

13 Issues relative to the Geographic Scope,
14 frankly, I thought they were very supportive of our
15 watershed level approach but they suggested that we
16 document the processes more completely and do a better job
17 of explaining the relationship between the upper watershed
18 processes and the Bay-Delta system. We can do that and we
19 will do that.

20 But the point I wanted to get across is that to
21 expect us to be able to convene a group of scientists this
22 group took four or five months to bring them together for
23 four days' worth of work. We can't bring another group
24 like this together, have them do their work, have them
25 reach consensus, have them approve a report or a plan

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1 regarding the fire component in the upper watersheds there
2 is certainly a lot more than the fire component to this
3 Bay-Delta situation than the fire component and we tried to
4 get Don Ermon (phonetic), who was the head of the Sierra
5 Nevada Ecosystem Project to Chair the scientific panel but
6 because of glitches in the system he was unable to do so.
7 I feel that the entire upper watersheds were not well
8 represented in the process simply by the comments that came
9 out from the scientific panel. So that's my comment.

10 CHAIRMAN MADIGAN: Thank you.
11 Roberta.

12 MS. BORGONOVO: I think that Dick has gone
13 back to answer the question, but many of our comments did
14 center upon the timing issue and I think that Dick had
15 tried to address that, but when you say that it won't be
16 incorporated into the EIR/EIS there was a real concern that
17 that would be desirable to do that, and I know that we'll
18 discuss that in November but that was a big issue.

19 MR. DANIEL: Most certainly I agree that
20 it's desirable. It's not real and I'm very sincere about
21 that.

22 The schedule that we are on has us sending the
23 draft programmatic EIR/EIS to the printer on or about
24 January 15th. In order to convene a group of prominent
25 scientists to help us develop a comprehensive response and

1 revision and get it to the printer by January 15th. Even
2 though we are CalFed we can't do that. And we have to come
3 to grips with that.

4 But that does not preclude us from taking the
5 deliberate time to do a good job, to have it done by this
6 spring and incorporate it into the program, and at least in
7 my conversations with my colleagues on the staff they don't
8 conclude that not having this work done would represent a
9 serious deficiency in the EIR/EIS analysis of impacts but
10 most certainly I agree that it will strengthen the plan and
11 go forward.

12 The other part of it is a lot of the comments
13 from the group were focused on our volume three, which is
14 titled a working draft, and we recognized in advance that a
15 lot of work needs to be done on how you go about
16 implementing the program, developing the monitoring plan,
17 identifying needs for focused research and how one would
18 phase in implementation of the program and support adaptive
19 management.

20 The comments that they made about incorporating
21 independent science in the review of the adaptive
22 management results as you get the data in are very
23 appropriate.

24 It was not possible at the point in time that
25 we put the drafts of the ERPP out for public review to

1 identify the specific monitoring needs of a plan that
2 hadn't been finalized.

3 It was not possible to identify in great
4 specificity the focused research that was needed because we
5 didn't have the comment back as to where the questions
6 relative to scientific certainty were established. So we
7 are sequencing all of this. The adaptive management, the
8 implementation document, volume three, is very important to
9 people.

10 We will continue to revise it and refine it,
11 but it may never been done because it is an adaptive
12 management program it's intended to be reviewed and revised
13 over the duration of the program.

14 MS. BORGONOVO: I think that one of the
15 points that the panel made was that a point that Annie just
16 made and that is that this is such an enormous and complex
17 process that you have to have the vision in the model out
18 there to sustain this public support over a very long
19 period of time so I am assuming at the BDAC workgroup for
20 the ecosystem we will be addressing again when and how we
21 can expect to see that.

22 I think it's very important for the public to
23 be able to follow the process and people did -- they have
24 seen the evolution of the ERPP. They have seen its growing
25 complexity in response to comments so I think that that

1 will be very important for that group to be able to see to
2 communicate back to BDAC.

3 MR. DANIEL: Yes, and at the next eco
4 workgroup we'll have overheads of several conceptual models
5 despite the fact that we have all of this sophisticated
6 equipment we went out and bought a bunch of those grammar
7 school templates that draw little boxes and triangles and
8 circles and Terry and Bellary (phonetic) are wearing them
9 out as we speak drawing up these models, which we had but
10 we converted them to words in the ERPP instead of diagrams.
11 So it won't be that difficult except the model El Grande,
12 which, frankly, doesn't exist in literature.

13 It will be a bit of a first for us. We do have
14 some benefit of a project that was undertaken under the
15 auspices of the CVPIA where the Secretary of Interior was
16 directed to put together an ecosystem model. A group of
17 consultants got together and worked on that. It's called
18 the consensus project.

19 It's incomplete but it's a pretty good start
20 and they've offered to send a copy of where they are over
21 to me and I expect to get it next week.

22 CHAIRMAN MADIGAN: I have Steve, then
23 Byron, then Alex.

24 Steve.

25 MR. HALL: I didn't participate myself in

1 this workshop but people who know a lot more about the
2 subject did.

3 My sense based on what I've heard is that it
4 was constructive move the ball down the field a ways, but
5 whatever was said in that workshop I think has to take a
6 back seat to what is written in the report and as for me
7 and the folks that I represent I think the comments that we
8 submit based on the final report seem to me to be much more
9 significant than whatever comments you're hearing here
10 today or were received at the workshop because whatever
11 the -- however the panel feeds into that report and
12 whatever is done with the report as a result of that
13 workshop on paper is what I think should be of interest to
14 folks.

15 So I would, I guess, encourage the other BDAC
16 members to do likewise but also to urge the CalFed staff to
17 pay close attention to the written comments on the written
18 report.

19 CHAIRMAN MADIGAN: Byron.

20 MS. NOTTHOFF: Can I ask a question?

21 Do you mean the report of the ERPP or the
22 report of the scientific panel?

23 MR. HALL: I guess I mean both but
24 particularly the scientific review panel's report or their
25 feed into the final report. I'm a little unclear because I

1 came in late.

2 Are they going to have a separate report, Dick,
3 that's written?

4 MR. DANIEL: Yes, they are, and I think
5 you are going to get a copy of it tomorrow.

6 MR. HALL: Okay.

7 MR. DANIEL: Then that report will first
8 go to the BDAC eco workgroup, your subcommittee, advising
9 our staff on all of these issues. They'll provide comment.
10 I suspect that they might suggest that emphasis be put on
11 one area versus another, the kinds of comments that we've
12 heard around the room.

13 Then their report the subcommittee,
14 ecoworkgroup committee, will come back here and we'll
15 discuss it again in December.

16 Is that when the schedule is?

17 SCOTT MCCREARY: Yes.

18 MR. DANIEL: So that we'll have the
19 advantage of the scientist's report, the ecosystem work
20 group's analysis and comments on the report, your consensus
21 or comments on the report.

22 Now, in addition to that, of course, we've
23 received about a hundred or so comment letters on the ERPP
24 to date, some of which came from folks that participated or
25 observed the Scientific Review Panel process as well. They

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1 echo some of the comments from the scientists, emphasize
2 some of them, and those comments fall into about three
3 general categories, sort of the scientific foundation type
4 stuff, very specific issues where we may have had an error
5 or an omission in the document and a middle group that
6 talks a little bit more about policy related to the ERPP.

7 We are working on incorporating those comments,
8 evaluating the questions that have come up, and we've been
9 going out to the public in a series of informal meetings to
10 deal in a geographic basis what the comments that people
11 have brought up.

12 We'll be able to respond to a lot of that
13 through changes in the ERPP as it's incorporated into the
14 programmatic EIR/EIS in February.

15 CHAIRMAN MADIGAN: Byron.

16 MR. BUCK: Dick, let me paraphrase what I
17 think I hear staff coming from.

18 What you got out of the panel discussion was
19 comments that there needs to be more work on structure and
20 support of the ERPP and that you need models and further
21 justification of the implementation actions and that your
22 work on that -- further work on that won't likely change
23 the actual implementation actions which are in the plan
24 much and so, therefore, since those won't change to any
25 great degree they are an inadequate basis to do the EIR/EIS

1 actions and dealing with those is a different issue?

2 MR. DANIEL: Yes. Dealing with those is
3 specific.

4 Where we said it was nine and somebody
5 commented that it ought to be ten we can go back and
6 evaluate whether or not it ought to be ten or justify why
7 it ought to be nine and we have a lot of those kind of
8 comments.

9 CHAIRMAN MADIGAN: Sunne.

10 MS. MCPKAK: What I've heard in the
11 presentation is a set of recommendations for refinement,
12 clarification, how to model, perhaps the hypotheses.

13 My question is did the panel propose any
14 different or significantly altered hypotheses and did they
15 then, if there were different hypotheses, propose any
16 different science than what we are working on?

17 Is there any contradiction of the science
18 assumptions that are embedded in the ERPP that emerged out
19 of the scientific panel review?

20 MR. DANIEL: I'll respond and then I would
21 like Scott to give a more independent view.

22 I didn't hear anything that suggested that the
23 hypotheses that we did articulate or the background that we
24 did use, the concepts that we are pursuing, the fact that
25 we are looking at ecosystem processes how they support

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1 impact analysis at this point.

2 Is that a fair statement?

3 MR. DANIEL: Yes, I think so. The
4 conversion of this draft EIR -- or this draft ecosystem
5 restoration plan into a programmatic EIR/EIS will involve
6 stating targets in terms of ranges. It will be very
7 programmatic.

8 They always criticize me when I say fuzzy but
9 programmatic in nature, and I didn't see in the scientific
10 review panel's comments issues when properly responded to
11 that would change the magnitude of the potential impact of
12 the program.

13 We are trying to be very broad in our analysis
14 for the EIR/EIS, but rather the vast majority of their
15 comments were things like you could do a better job of
16 explaining your approach if you used a conceptual model.
17 You need to bring in scientific expertise.

18 That's not going to change the degree of
19 impact, those kinds of comments and that's why I feel
20 comfortable in taking the deliberate approach to respond
21 and refine the document rather than rush to get it done in
22 a very short time frame simply so that that could be an
23 accompanying part of the EIR/EIS.

24 MR. BUCK: You are getting specific
25 comments from other stakeholders on specific implementation

1 habitats and then subsequently species, I didn't see any
2 criticism of that. I did not hear any alternative
3 hypotheses presented.

4 Rather, the focus was you've done some pretty
5 good work here. You could do a better job if you provided
6 folks with the hypotheses that you are advancing and with
7 the model to support that hypotheses and a process to test
8 it in the environment.

9 CHAIRMAN MADIGAN: Scott.

10 SCOTT MCCREARY: I think I substantially
11 agree. There were three or four concepts that the panel
12 brought forward that are were not highlighted before
13 perhaps to the extent that they could be by CalFed.

14 One was the idea of an index of biotic
15 integrity, a way of summing up information about the
16 biology of the system in a simple way to kind of convey how
17 it's doing, the state of the ecology of the system. That
18 was -- that's not a new hypothesis but it's a specific
19 idea. I think it's different than the indicators work
20 that's been done so far by CalFed.

21 A second theme was the idea of randomness or
22 what is called stochasticity (phonetic), the variation in
23 the system from year to year and from season to season in
24 runoff events and the idea that you can't just plan for a
25 single type of hydrograph on an annual basis. You have to

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1 look at interannual variability.
2 And then a third concept is don't just look at
3 the water part of hydrology, look at the sediment part,
4 look at the geomorphology of the channel, look how it's
5 changing, don't just concentrate on the textbook model of
6 the river channel. Think about how it changes because this
7 is a very altered system.

8 And then a fourth idea was the idea of making
9 the case for the recommendations, both by citing the
10 literature and by establishing these cause and effect
11 relationships and just one brief response to Bob on the
12 watershed linkage and representation on the panel, I think
13 the way the panel ultimately came out was the scope is
14 fine. There were arguments on both sides. Some people
15 said shrink it. Others said definitely embrace Central and
16 South San Francisco Bay.

17 The economic argument was one of half dozen put
18 forward. At the end of the day the panel said the scope is
19 about right. You need to make the case better for why
20 you've got the scope so I don't think that they actually
21 said ignore the watershed but they did come back to this
22 business about conceptual models.

23 CHAIRMAN MADIGAN: All right. I have two
24 more, Alex and then I have under public comment Gary.

25 MR. HILDEBRAND: Well, I think it's both

1 recognize that's not feasible or desirable in the present
2 situation but as recently as yesterday, late yesterday I
3 received a communication from the staff, a copy of it's in
4 your blue folder that was passed out today (indicating),
5 and it says that the San Joaquin River prior to development
6 was a broad floodplain type river that frequently moved
7 outside its banks and the vision is to recreate as much of
8 the floodplain as practicable and to do this will result in
9 more deposition of fine sediment in the floodplain of the
10 San Joaquin River upstream of the Delta and would increase
11 the desire to salt would be an increase in the alluvial
12 soils in the floodplain but when later in the same
13 communication it acknowledges that the flows that are
14 expected to occur for ten-day periods or hoped to occur for
15 ten-day periods even in wet years other than flood years is
16 going to be in the order of ten, 11,000 CFS.

17 Well, that amount of water doesn't rise up out
18 of the channel. It isn't going to overflow anything. It
19 isn't going to deposit any sediments on the alluvial plain
20 and we don't have the capability of going higher than that
21 except in flood years because of all of this demand for
22 water for various purposes by this exotic human species
23 we've got.

24 So it's a vision that isn't going to happen and
25 we ought to accept the fact it isn't going to happen.

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1 desirable and important to be making all of these
2 scientific analyses. They are much needed, but we seem to
3 be losing sight of the fact that's not the only analysis
4 that's needed in relation to this ERPP.

5 The question is not whether something is just
6 scientifically desirable but whether it's feasible, and we
7 don't seem to be analyzing that very well.

8 Let me give an example. I grew up in the
9 Berkeley hills. It's a bunch of open fields, meadowlarks
10 in the backyard, flowing creek a short distance from the
11 house, and it was very nice, but then the exotic human
12 species moved in, crowded out all of that. There is no way
13 you can go back to it no matter how scientifically
14 desirable it would be.

15 Now, we have the same situation in the Valley
16 but it's not quite as obvious. The human species demands
17 food, which consumes a lot of water. They export a lot of
18 water to the Bay Area.

19 They export water from the San Joaquin system
20 to the south, from the north to the south and there is no
21 way you can go back to the stream system that we had before
22 and yet we still seem to have the desire to do that.

23 The earlier proposal which I think is still in
24 all the write-ups that you would get the San Joaquin River
25 to meander some more seems to have been abandoned now and I

1 Now, when we do have a flood year, we can have
2 more overflow but we have something on the order of, I
3 believe, of a hundred thousand acres of dedicated refuges
4 and grassland districts and so forth that are no longer
5 accepting full overflow and instead of talking about
6 restoring the full unimpeded overflow into those lands
7 which would help with the flood problem as well they want
8 to buy new lands of a much smaller quantity which wouldn't
9 achieve anywhere near the benefit of restoring full
10 unimpeded flow in the ones we've got so I think we need a
11 reality check in this thing and I don't like to see us keep
12 putting that off and time is running out.

13 As Dick has said, we don't have much time and
14 if we aren't making the reality check the same time we are
15 doing the scientific review we are going to end up doing
16 some kind of silly things, in my opinion.

17 CHAIRMAN MADIGAN: Thank you, Alex.

18 Public comment, the only request I have for
19 public comment is from Gary Bobker. Gary.

20 GARY BOBKER: Thanks, Mike.

21 Gary Bobker, Bay Institute.

22 It's a little frustrating and disturbing to see
23 the CalFed staff, which it works very hard and has done
24 some excellent work on the ecosystem restoration placed in
25 the position of spearheading what is likely to promise to

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1 be the most comprehensive ecosystem restoration program
2 ever undertaken but not given the time and resources to do
3 the job right. That is something that we should really
4 think very seriously about.

5 Scott and Dick gave a very accurate
6 representation of the work of the ERPP Scientific Review
7 Panel.

8 I want to stress, though, that the issues that
9 the Scientific Review Panel brought up are very serious
10 issues. They do not make the ERPP fatally flawed in the
11 sense that the ERPP represents a comprehensive menu.
12 CalFed staff under Dick's direction has really identified a
13 very full suite of implementation measures to achieve
14 restoration that try to address underlying causes of
15 degradation of the ecosystem. That's a very important and
16 very worthwhile achievement. It's not a restoration plan.

17 The kinds of shortcomings that the Scientific
18 Review Panel identified, which are a lack of clear,
19 well-articulated objectives, clear and well-defined
20 conceptual models and the underpinnings of an adaptive
21 management approach really are either lacking or not
22 developed nearly as much as they need to be.

23 In essence the panel I think validated many of
24 the criticisms that we have been raising for the last year
25 and which are contained in the comments that have been

1 CalFed has a lot of experts in the Bay-Delta
2 system. What I think they need are some additional people
3 who have expertise in doing something that's very difficult
4 to do and hasn't been done very much and that's think on a
5 systems basis, some systems ecologists, landscape
6 ecologists, environmental planners to help them out to be
7 brought into the program as well as for the Scientific
8 Review Panel to play a continuing and very active role in
9 the development of the ERPP.

10 We also think that a number of focused
11 technical workshops where technical experts are invited to
12 deal with specific areas that need to be developed in the
13 ERPP is the way to go and this can help us to meet some of
14 the ambitious goals that we've set for ourselves. We also
15 need to think, of course, about the time that we have to do
16 this and if we are going to keep to the ambitious schedule
17 that's been laid out for us, which I've questioned in the
18 past, then I think we need to think about what it is we are
19 going to achieve in the documents and we have a document
20 coming out in a few months.

21 What will that document be capable of doing and
22 how should it be viewed, as a milestone to what?

23 The final thought that I want to leave you with
24 is that providing a sound and defensible conceptual
25 framework for the ERPP is not just an issue for the

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1 submitted by my organization, by the environmental defense
2 funds, by the Nature Conservancy, which if they don't know
3 how to do restoration, nobody does, and by others.

4 If the conceptual framework which makes a plan
5 rather than a menu is not part of a draft EIR/EIS, then I
6 would suggest to you that that draft EIR/EIS is deficient
7 and can't be used as the basis for a final decision on
8 ecosystem restoration or the comprehensive water management
9 program that CalFed represents, and I would disagree
10 slightly with my colleague, Byron -- by the way, Byron,
11 welcome -- congratulations on your elevation to the
12 rarified heights here.

13 MR. BUCK: Can I come down and stand next
14 to you for old times sake?

15 GARY BOBKER: You can rub my rabbit's
16 foot.

17 The implementation measures that are in the
18 ERPP may change as the restoration planning framework
19 changes. They need to be prioritized. That will affect
20 most likely the impact analysis that needs to occur at all
21 stages of the EIR and EIS.

22 We have made suggestions to CalFed as to ways
23 that they can deal with this.

24 For one thing there are some major new
25 resources that they need.

1 long-term restoration implementation program over the next
2 25 or 50 years.

3 It's important for the next couple years as we
4 spend hundreds of millions of dollars of funds that have
5 been allocated to restoration which are -- have been
6 earmarked to be spent over the next couple years. We want
7 to make sure that that is spent wisely. Now, I'm co-Chair
8 of the ecosystem roundtable.

9 We have just been given recommendations from
10 technical and integration panels as to how to spend 60
11 million dollars and we are not going to try and
12 second-guess those panels or say they are doing a bad job.
13 I think they are doing a good job.

14 The whole scientific and technical process has
15 improved tremendously over the last few years, but it's not
16 where it needs to be in the end. It needs to be part of a
17 well thought out comprehensive plan. We are not quite
18 there yet.

19 So the same sorts of things we need to do for
20 the ERPP are the same sorts of things we need to do in
21 order to justify how we are going to spend 85 million
22 dollars in the coming year and hundreds of millions of
23 dollars more so there is a lot that rides on this and so I
24 would strongly urge that CalFed dedicate whatever resources
25 and take whatever time it takes to do this right because I

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1 don't think we are going to have another chance to do it
 2 right.
 3 Thanks.
 4 CHAIRMAN MADIGAN: Thank you, Gary.
 5 All right. Thank you very much. Thoughtful
 6 input.
 7 Yeah, Ann.
 8 MS. NOTTHOFF: This issue of process and
 9 how we will in fact best use the wisdom of the scientific
 10 panel and the public comments on the ERPP and what
 11 form -- what document that produces as part of the
 12 environmental review process I would recommend that
 13 we -- that's an open question that's discussed at the
 14 Ecosystem Restoration Workgroup, that it would be great if
 15 we could have some new blood and get some of the new
 16 expertise on at the next Ecosystem Restoration Workgroup,
 17 which is November 17th, I believe, and that, you know, we
 18 have some good recommendation to come back to BDAC at the
 19 December meeting as to how we would respond to that.
 20 I would not like to see all this -- these
 21 serious concerns not be addressed.
 22 CHAIRMAN MADIGAN: Sunne.
 23 MS. MCPK: I want to associate with
 24 Ann's comments and I was sitting here trying to reflect on
 25 what both Alex and Gary had to say and then try to process

1 The question is really Sunne's as a follow on
 2 to Ann.
 3 Are we going to be able to develop this
 4 document in a timely enough fashion recognizing the
 5 adaptive nature of where we are all headed in this thing to
 6 have a document where, you know -- and I said Gary's term
 7 that it's a plan not just a menu but, in fact, it is a menu
 8 as well in this whole thing so that we can utilize that
 9 document as a meaningful part of the process in coming to
 10 conclusions around here?
 11 MR. DANIEL: Yes, you can and you've
 12 participated in directing the approach to doing that. The
 13 BDAC workgroup next week will help us put together a game
 14 plan, a work plan, to be responsive to that.
 15 I expect that the workgroup and then
 16 subsequently BDAC will be in a position to articulate what
 17 we need to have in order for you to advise us on a decision
 18 for the preferred alternative.
 19 I think we are pretty close now and the kinds
 20 of comments that Gary made are very constructive, but it's
 21 up to you all in terms of what you feel you need to make an
 22 informed decision and subsequent recommendation on the
 23 preferred alternative.
 24 CHAIRMAN MADIGAN: Are we going to be able
 25 to include the participants in the Scientific Review Panel

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1 that and think in terms of what the implications were for
 2 what we do as follow-up, and let me just share the -- sort
 3 of the inadequacy of my own thinking about this, which is
 4 in the EIR/EIS process we clearly have to include the full
 5 menu and in an adaptive management process have that menu
 6 available to us with the indicators and know that we can
 7 make those changes going forward.
 8 So we've got both an EIR/EIS process to cover
 9 the full spectrum of the menu available coupled with the
 10 comments I think I heard Gary say about the approach on
 11 implementation and the -- a plan, an initial plan that then
 12 can be implemented against indicators and modified as
 13 necessary but the modifications may draw upon parts of that
 14 menu that may not be in the initial plan but is in the
 15 ERPP.
 16 So how we grapple with the problem of or the
 17 challenge of an adaptive program in the EIR/EIS process
 18 that must include a pretty broad spectrum of options, i.e.,
 19 items on the menu, yet move to greater specificity based on
 20 the input from the Scientific Review Panel and the
 21 follow-up work from that is something I would like to have
 22 more thought on or input on and if that's what you're
 23 probing for or asking be done, I would welcome it.
 24 CHAIRMAN MADIGAN: Dick, let me ask you to
 25 come back for a minute here.

1 in the further deliberations of the ecosystem restoration
 2 groups/roundtable/whatever we wind up with over the
 3 immediate term and then take -- and take in an integrated
 4 fashion advantage of their expertise and knowledge?
 5 MR. DANIEL: Certainly the stakeholder and
 6 Agency participants are available to us and have been
 7 active in the program, but, to bring people back from the
 8 Chesapeake, from the Everglades, from Yellowstone, from the
 9 Columbia River on the kind of schedule that we have and the
 10 frequency of meetings that we have, no, I don't think it's
 11 realistic to bring them back for every meeting but to
 12 reconvene them after we've provided a product that responds
 13 to their issues and concerns. I think that's doable and
 14 appropriate.
 15 We may find that we want to bring in additional
 16 expertise to complement that group or to supplement that
 17 group but I don't think it's realistic at all to expect
 18 directors of these institutes, professors at these
 19 institutions to be able to drop their existing schedule and
 20 come back for the kinds of meetings that we have planned.
 21 CHAIRMAN MADIGAN: All right.
 22 Sunne.
 23 MS. MCPK: A follow-up, Dick. As I
 24 listen to this whole presentation and the testimony that
 25 has been received it does seem critical to me that we get a

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1 higher level of sophistication and then concurrence around
2 it on the indicators.

3 The modeling needs to be done against that, and
4 that I think I would really want to encourage that piece of
5 the work.

6 MR. DANIEL: In fact, we are emphasizing
7 indicators. We've done quite a bit of work on indicators.
8 There is a substantial amount that needs to be done. I
9 think I will be able to let a specific contract to have a
10 group of experts review our indicators on a reasonably
11 quick turn around time --

12 MS. McPEAK: What do you expect that to
13 be?

14 MR. DANIEL: I'm hoping to have that done
15 in January.

16 MS. McPEAK: The contract let or the work
17 done?

18 MR. DANIEL: The work done.

19 MS. McPEAK: Oh, terrific.

20 MR. DANIEL: Indicators that have been a
21 high emphasis item in this program from day one. We've
22 held four different workshops on indicators. We've gotten
23 a lot of input on indicators. I think we've made quite a
24 bit of progress and it's one of those issues that also will
25 be refined over time.

1 able to do that.

2 CHAIRMAN MADIGAN: Thank you.
3 Alex.

4 MR. HILDEBRAND: I still haven't heard how
5 and when we are going to make a -- or subject this ERPP to
6 a reality check into conformance with the solution
7 principles and I don't see how we can consider that it's
8 ready to adopt until that's done.

9 CHAIRMAN MADIGAN: Do you want to say
10 anything?

11 Do you want to respond, Mary?

12 MS. SELKIRK: We are going to
13 have -- there is going to be a much more thorough review of
14 the ERPP at the December meeting and I'm hoping by then
15 we'll have some kind of defined work plan as a result of
16 the restoration workgroup, a piece of which I assume will
17 be how additional expertise at the landscape level will be
18 participating in the revision of the ERPP and I'm
19 assuming -- I don't want to speak for you, Dick, but that
20 part of that work plan will have to include putting
21 specific implementation objectives to the test, the kind of
22 test that I think you're wanting to see, Alex.

23 MR. DANIEL: It's fun to try and listen to
24 you and to have people whisper in my ear at the same time
25 and provide responses.

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1 MS. McPEAK: Okay.

2 MR. DANIEL: Thank you.

3 CHAIRMAN MADIGAN: All right. We really
4 need to move on but I have quick questions from Roberta and
5 Alex. Right?

6 MS. BORGONOVO: I just wanted to go back
7 to I think the point Annie is making and that is that when
8 you sit on the ecosystem workgroup it's really important
9 for you as a member of BDAC to be able to understand the
10 process and certainly one of the recommendations from the
11 Scientific Review Panel was specifically on adaptive
12 management.

13 That seems so important because it's such an
14 underpinning of the whole CalFed process and so that point
15 was made over and over again, how do you link the
16 indicators and the targets and all of that with the
17 adaptive management approach but I think that also many of
18 us are very sympathetic to the CalFed staff that has
19 undertaken this enormous task and it's just that if there
20 are the resources there, we think it can help the CalFed
21 staff to be able to respond.

22 What we talked about in our workgroup is it's
23 either the whole timeline sliding which we have heard isn't
24 going to happen or it's more resources in to help that
25 CalFed staff. So I think it's very important if CalFed is

1 One of the things that I know Lester would say
2 if he were here is that the reality check, the evaluation
3 against solution principles that we all have embraced comes
4 as the package is put together.

5 Is it realistic in a package to deal with
6 environmental restoration and rehabilitation, the water
7 quality program, the water supply and reliability program,
8 the levee system vulnerability program.

9 As a package does that represent a realistic
10 approach to trying to resolve the myriad of conflicts that
11 we are dealing with here?

12 Independently many people have already said
13 that they don't consider aspects of the ERPP to be
14 realistic, not just Mr. Hildebrand but amongst the many
15 comments that we've got, but once you put it into context
16 with the entire program you'll be able to make a more
17 informed judgment and that's the way that we are proposing
18 to present it.

19 The ERPP as a stand alone document is supposed
20 to disappear when we put out the programmatic EIR/EIS. It
21 then becomes a chapter, an appendix, a component of the
22 much broader plan that we are working on.

23 MR. HILDEBRAND: In the meantime you plan
24 to spend a lot of money to implement the components of the
25 ERPP before you do all this (shrugs shoulders).

1 CHAIRMAN MADIGAN: Sunne.

2 MS. MCPEAK: Dick, I think you're probably
3 right.

4 Lester would say that unless I were pressing
5 him because last meeting we had both the discussion on the
6 ERPP and on the core program and the issue was raised by
7 David and Alex and Stuart as to when the core program as
8 well as the ERPP would get submitted to the solution
9 principles.

10 Let me stipulate to the fact that the solution
11 principles have to continue to be applied and we keep
12 looking at the solution principles against the package as
13 we go through the process and it's somewhat iterative and
14 then we take a look at it all again when we get the EIR/EIS
15 and the responses to all of the comments as we get more
16 enlightened, but I think that there is -- I expected today
17 because no one countered when we had general concurrence or
18 acquiescence, no one disagreed around this table last
19 meeting that we would visit that issue.

20 At least as we understand the core program and
21 we understand the ERPP the issue of do the solution
22 principles apply, now, I sort of had faith in you guys that
23 you wouldn't bring it forward if you didn't think that the
24 solution principles applied but their needed to be some
25 kind of analysis and explanation of how you as staff and

1 California in general.

2 MR. HILDEBRAND: Dick, you still haven't
3 dealt with the question that I raised relative to this
4 letter that I got yesterday (indicating), which says that
5 we are going to achieve a deposition of sediments by
6 overflow in alluvial fan which can't be -- won't occur with
7 the flows that are proposed. It isn't a question of who
8 wins and who loses, just that it won't work.

9 MR. DANIEL: And I'm sure you know that I
10 wrote that letter --

11 MR. HILDEBRAND: Yeah, I guessed that. I
12 knew Lester signed it but he didn't read it.

13 MR. DANIEL: You know, I think he did.
14 He's pretty conscientious about that.

15 Alex, we acknowledge that you can't manipulate
16 the system, particularly, the San Joaquin River system to
17 create floods --

18 CHAIRMAN MADIGAN: Okay. We've gone well
19 beyond -- Dick, we've gone well beyond the time that we
20 allocated for this issue and I trust that you and Alex will
21 discuss that specific item further.

22 Steve, did you have a brief comment?

23 MR. HALL: I'm going to pass,
24 Mr. Chairman.

25 CHAIRMAN MADIGAN: Thank you. All right.

1 how Lester thought about all of this and that's what I
2 think we were supposed to get into in part and if not now,
3 then as we move ahead in the next two days. That's why we
4 are spending two days, is to get into this stuff.

5 MR. DANIEL: Uh-huh (yes). Yeah.

6 My response to Alex's comment is more a matter
7 of you've got to put it into total context. You have to
8 look at the benefits to agriculture from the comprehensive
9 program versus the fact that there will be some habitat
10 restoration that will impact agricultural lands.

11 You have to look at the water quality program
12 in general in terms of its benefits to agriculture and the
13 costs in terms of some constraints on some various segments
14 of society.

15 To look at the ERPP alone, you start looking at
16 the acreages of the land conversion, you start looking at
17 the acreages that we are proposing for flood easements, you
18 start looking at the costs independently.

19 You most certainly would conclude that there
20 are redirected impacts. They are just very expensive and
21 perhaps not affordable and that the benefits are perceived
22 at least to be directed towards one segment of society as
23 opposed to California as a whole, but when you incorporate
24 that into the overall comprehensive CalFed Program, we
25 certainly hope that everyone sees the overall benefits to

1 Let's move on.

2 I said earlier that there were a couple of
3 additional items under the notion of public outreach that I
4 wanted to get on the table at least today, although I
5 wanted to give everybody a chance to think about them
6 overnight and, Eric, specifically in terms of the finance
7 workgroup issues I'd like to ask you to talk to the group
8 for a minute. Yeah, now.

9 MR. HASSELTINE: Okay. Thank you,
10 Mr. Chairman.

11 The finance workgroup has been working for
12 quite some time now to try and get a handle on the overall
13 financing of this program and we find ourselves frankly
14 going around in circles trying to get a grip on the
15 specifics of the matter when in fact some of the bases for
16 these decisions really have not yet been decided, and so we
17 have come to the conclusion that there really are some
18 basic policy issues that have to be decided by someone and
19 whether or not that's BDAC we don't know but we as a
20 committee of BDAC want to bring it to BDAC as a whole.

21 Prior to the time that we can really get into
22 cost allocation and assignment of responsibility for the
23 financing of this overall program.

24 The way that we looked at financing in general
25 is to attempt to allocate the costs of the program

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1 according to the benefits received for the most part and
2 that immediately gets us into problems because it's not
3 easy to identify who all the beneficiaries are of any
4 particular component of the program or to quantify what the
5 value of those benefits are, especially as it relates to
6 things like the ERPP.

7 So the first major decision that has to be made
8 in some way is to what degree is the financing of this
9 overall program going to be split between private and
10 public sources and by public I mean either State or Federal
11 funding of which we already have a significant amount, but
12 the overall program needs to be divided between those two
13 categories in some way.

14 Now, there is a significant debate about that.

15 On the one hand we have people who say that all
16 of the decisions that have been made about the use and the
17 activity in the Delta have been made as a result of
18 historical public policy, which has changed over the years
19 according to what the public priorities are, at least as
20 interpreted by the governmental agencies that have set
21 forth the rules that apply to the Delta.

22 And, therefore, that if we are now in a
23 situation where we want to do restoration programs, we want
24 to go back and cure problems that are in the Delta that we
25 are really starting from where we are now and everything

1 programs as well as storage and conveyance.

2 The second part of this is to identify amongst
3 the private side, assuming that we've now identified how
4 much, if any, of the program will be made for out of public
5 monies, how we then scope the breadth of the private
6 participation and in general I think that one suggestion
7 that's been looked at is that that was made back when 1630
8 was set forth that any use of water from the entire
9 Bay-Delta watershed basin, in fact, is partially
10 responsible for this program and must bear some of the
11 financial responsibility for it.

12 That brings up issues of whether or not there
13 is an opt in opt out possibility for various Water Agencies
14 or users on whatever grounds.

15 That's the second major question that we think
16 needs to be answered before we can come forth with some
17 sort of an overall financing program.

18 We really need to know who the players are
19 going to be and whether or not everyone who participates in
20 the watershed basin bears some responsibility or, in fact,
21 if there are permissible exemptions.

22 We need to differentiate between the allocation
23 of that responsibility and the mechanism by which that
24 responsibility is discharged.

25 For example, we are looking at -- right now if

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1 that we do in effect is an enhancement process.

2 We have the exact opposite of that opinion also
3 held by many people, which is that the Delta in its natural
4 state would be just fine but that because of the
5 intervention of a variety of uses and activities throughout
6 the Delta we have created the problems which we are now
7 facing and that, in fact, those who have participated in
8 the creation of those problems bear the responsibility for
9 now mitigating the results of their actions and they are
10 responsible for financing and paying for whatever needs to
11 be done now to correct those problems.

12 So it's a mitigation versus enhancement
13 argument in which there is fairly strong opinions but it
14 makes an enormous difference when we are talking about the
15 amount of money that's at stake here in terms of what it
16 will take to finance this program exactly where we want to
17 come down on this.

18 Issues such as affordability and ability to pay
19 come very much into play when you're talking about things
20 like levee stability as well as the other parts of the
21 program.

22 So the first major question that I think has to
23 be addressed is really how are we going to split between
24 public and private sources in general as it affects each of
25 the component areas of the program, that is, the common

1 you look at what the funding mix would be for the common
2 programs, we find that actually the ERPP has a lot of money
3 already allocated to it and designated over the next few
4 years, perhaps as many as ten years out but at the same
5 time we need money from other sources to -- for the O and M
6 costs associated with that and also for the other common
7 programs. Clearly we also need to identify the funding for
8 storage and conveyance.

9 For the common programs one of the tools or
10 mechanisms that's been suggested is that of a widespread
11 basin usage fee which might be called the Delta fee which
12 would apply to anyone who, in fact, is using water within
13 the watershed basin.

14 The basic idea behind that is that everyone
15 involved in the Delta in some way pays a fair share and
16 through this Delta fee we ensure that some people don't pay
17 less than their fair share.

18 That then brings us down to the concept of what
19 a fair share is in the equity of the whole program because
20 we also at the same time want to ensure that people don't
21 pay more than what their fair share is.

22 This brings up the issue of a financial
23 baseline which is what about existing and ongoing funding
24 and activities within the Delta which, in fact, are
25 complimentary to or maybe even duplicate what the CalFed

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1 Program proposes and how would people be properly credited
2 for what they are already doing, and the point has also
3 been made that people -- that crediting of current funding
4 or potential current funding could be used as incentive to
5 get people to effectively do the right thing; that is, to
6 do things that are consistent with and complimentary to the
7 CalFed Program and they'd be motivated to do that by the
8 fact that they'd be credited for what it cost them to do
9 that.

10 So the crediting issue is another one that
11 needs attention and some decisions need to be made as to
12 how those credits would be applied, at what point credit
13 would begin, at what point in time, do we go back, do we
14 start now, things like that. So those four main issues are
15 questions that we really need an answer to. We've got a
16 group of people.

17 I suppose it's very representative of the group
18 that's here in the entire room today from all over the
19 State, people from a variety of backgrounds who are very
20 interested in this financing issue who I think have been
21 somewhat frustrated at our inability to get into a case
22 study or to really attempt to at least try out some of
23 these ideas in an actual application of the various
24 principles and analytical techniques that have been
25 suggested for dividing up costs amongst beneficiaries

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1 because we've run up against inability to really answer
2 these basic questions.

3 And, frankly, we don't find at -- at least at
4 the moment we don't have a lot of agreement even within our
5 Committee on how these questions ought to be resolved so I
6 suspect that this kind of thing is going to fall over into
7 all of the other portions of our deliberations here.

8 As Chairman Madigan indicated earlier, we are
9 in a box that's getting smaller, sort of in a funnel, a
10 funneling down and some decisions are going to have to be
11 made about exactly the direction that's going to be taken
12 and how we are going to do things.

13 So, Mr. Chairman, that's sort of a statement of
14 our problems and I'll defer to your wisdom and that of BDAC
15 as to, number one, the process by which we ought to try to
16 answer those and, of course, hopefully we will be able to
17 answer them.

18 CHAIRMAN MADIGAN: Thanks, Eric. These
19 are tough questions and we are getting to that point in the
20 life of this organization.

21 What I would like to do is bring this item back
22 tomorrow. I've taken it a little bit out of order on the
23 public outreach notion so that you would hear this.

24 What I want you to do is think about this
25 tonight because I'd like to bring it back tomorrow and try

1 to get some input and some views and some opinions on this
2 from the BDAC for Eric and his group. So this will return
3 tomorrow.

4 Okay? Good. Thanks. I appreciate it.

5 MR. GRAFF: Mike.

6 CHAIRMAN MADIGAN: All right. I'm sorry,
7 Tom.

8 MR. GRAFF: This is just a comment for
9 tomorrow's discussion, I thought Eric's summary of the
10 conflicts that exist among the different points of view was
11 very good.

12 I would add one additional problem/conflict
13 that has been highlighted by the events of last week.

14 I know we are going to have a separate B(2)
15 discussion tomorrow but there is the additional problem
16 that even when funds are appropriated or authorized by a
17 solemn statute for one purpose there is always the apparent
18 possibility that the government decides it wants to use
19 those funds for other purposes so as in the case of
20 ecosystem restoration funding at the Federal level under
21 both the CVPIA and last year's Bay-Delta security act, both
22 of which were very clearly designated for ecosystem
23 restoration purposes the Federal Government appears now to
24 be proposing that some of those funds be diverted instead
25 to subsidize the purchase of water by agricultural

1 interests in the Central Valley.

2 CHAIRMAN MADIGAN: All right. Thank you.

3 The next item on the Agenda is -- oh, and by
4 the way, I also had said earlier I wanted to schedule
5 something for the ag urban negotiation update under the
6 same heading as the finance workgroup issues, I want to
7 roll that over to this afternoon and get on with the
8 restoration coordination funding package.

9 Mary, do you want to introduce this?

10 MS. SELKIRK: Kate Hansel who has been
11 working very closely with the ecosystem roundtable is going
12 to give a presentation today on the restoration
13 coordination funding package, which is the Agenda topic on
14 which BDAC members were asked to declare whether or not
15 they had a remote interest.

16 This is the package of funding proposals that
17 include a category three monies and is the first series of
18 restoration projects of huge diversity that have come
19 forward and been reviewed by the integration panel and the
20 roundtable.

21 CHAIRMAN MADIGAN: Therefore, those who
22 had something to declare earlier today, this would be an
23 appropriate time to observe your declarations.

24 Kate.

25 KATE HANSEL: Thank you.

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1 I am going to primarily talk about the
2 recommended funding package that was put together by a
3 technical panel called the integration panel and it's in
4 your packet.

5 Unfortunately, it was split into two locations
6 in your packet and hopefully you found it.

7 It starts under restoration coordination tab
8 and completes itself, I think, under the HCP tab, the
9 previous tab. It's fairly thick.

10 And then the other housekeeping thing is there
11 is one page that was revised, just that there was a typo
12 under multiple species so I'll pass that around just
13 to -- you can substitute your pages.

14 What we are going to do today is go through
15 some of the background of the process, review some of the
16 process. I'll give you a summary of the recommendations.

17 These are general recommendations and then
18 we'll take questions and comments and recommendations
19 throughout or primarily at the end.

20 But what I wanted to say up front is that
21 CalFed has got on the track as many of you know of the
22 State contract law when we issued this RFP back in July and
23 thought that was going to be the best process to follow.

24 The lack of guidance in the legislation wasn't
25 clear that we had grant authority so under the timing and

1 July 28th and we did a rough screen of proposals. Then
2 we're basically -- the process this follows -- it's pretty
3 scratched up.

4 We had a two step process. We had technical
5 review panels. We divided the 332 proposals that were
6 requesting funding into 13 panels by subject so we had
7 people that had expertise in water quality and mine waste
8 maybe on one panel, on habitat restoration on another and
9 structures and fish screens on another, for example, and
10 those scored the proposals and evaluated them and those
11 comments moved on up to what we called the integration
12 panel where it was set up to be a balancing and a setting
13 of revisiting of priorities of species and habitats and so
14 the integration panel met over a three-month period but
15 finally it took a five-day process to review all of the
16 recommendations out of the technical review panel and there
17 were 150 proposals that went to the integration panel from
18 the 13 technical review panels. So that went and that is
19 what is in your packet as a summary.

20 We went to the ecosystem roundtable last week
21 and I can pass on some of the comments there and then BDAC
22 today, management team next week and then at the end of the
23 process is policy group and then on to Secretary Wheeler
24 for final approval as it's laid out in Prop 204.

25 So that time frame is the end of November,

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1 after some review we went down that path. We've decided
2 and everybody else has also agreed that it doesn't fit the
3 grant process and the flexibility and the open public
4 process that we are trying to have at CalFed and we won't
5 be doing that exact process again. We believe we'll be
6 able to have more flexibility and much more public input
7 but we are finishing this round under State contract law.

8 That's why in your packet it doesn't have
9 individual proposal names. It just summarizes in various
10 ways how that recommended 60,000,000 would be allocated and
11 that's a combination of the Prop 204 60,000,000 and
12 10,000,000 out of CWA funds and some of the funds are
13 being held back for contingency and reserves and
14 administration.

15 So that's just some opening comments.

16 We have some integration panel members in the
17 audience so when we get into questions about the
18 recommendations I'd like to be able to call on several of
19 them. There was a 20 member panel and I think we have
20 three or four in the audience.

21 So I'm going to start with some background just
22 for some review so you can see what led into these
23 recommendations and what is the basis.

24 Again, this is the evaluation selection process
25 that we've been in since the proposals were received on

1 early December for a final selection of proposals for this
2 1997 round (indicating).

3 A little background, what we laid out in the
4 RFP and I brought to you probably every time I came in for
5 a presentation was what were the eligible proposals. These
6 were all things that were laid out in the RFP. We had a
7 wide variety.

8 It was pretty much cast the net widely, as you
9 remember, everything from construction land acquisition,
10 habitat restoration, water quality and monitoring both
11 projects, specific monitoring was included as well as kind
12 of landscape comprehensive monitoring to make sure we are
13 tracking what we are doing and seeing if it works and
14 feeding into the next and future rounds. Other category
15 was basically guidance that we could fund education,
16 research and O and M but to a lesser extent. Those could
17 be considered. They weren't completely excluded from
18 eligibility. We laid out scoring criteria.

19 Some of the feedback we are getting is that we
20 should have waited the criteria. When we went through this
21 process early on some people were saying not to wait it.
22 Let's let the integration panel do the waiting. That's
23 where the flexibility is.

24 But there were seven criteria, each got ten
25 points and so it was a total score of 70. If you got 40

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1 you could be passed on -- it's kind of a pass fail grade.
2 You'd pass it onto the integration panel. Below 40 did not
3 make it into the integration panel.

4 The RFP laid out the species. They had primary
5 and secondary species listed here. I have a typo under the
6 primary first tier. It should be Sacramento late fall-run
7 because under secondary it's Sacramento fall-run so I have
8 to fix that.

9 But what the integration panel did was took the
10 guidance from the RFP. That was one of the things that
11 definitely they were working from and then expanded on some
12 priorities which they were asked to do.

13 There should be additional priorities for
14 guiding selection of proposals, so they did a first tier,
15 second tier of the species that were in -- of the primary
16 aquatic species in the first tier.

17 What we also did is that the integration panel
18 tried to do, reach out and do coordination with other
19 funding programs, primarily CVPIA.

20 So they looked at the CVPIA annual work plans
21 and made comments on those work plans and helped form the
22 basis for kind of understanding what proposals should be
23 selected from category three so that's why at the top it
24 says CVPIA category three.

25 Several species were added to the list that

1 ecosystem process, multiple species process and some kind
2 of principles that would help them when they were making
3 selection.

4 We asked the roundtable also for input on
5 anything they would give guidance to the panel on how they
6 would do that selection so this is just a quick summary of
7 the panel's tools.

8 The integration panel used all of these tools
9 in helping decide what package to put together, it was the
10 priority species project type and at the end of your -- in
11 your packet under restoration coordination there is tables
12 called stressor rankings.

13 They took each of the stressors that are laid
14 out in the RFP and ranked them high, medium and low for
15 each of the species so that you'd look at the winter run,
16 you'd say entrainment's high priority, flood plain changes
17 is a high priority.

18 We want to address these things. They didn't
19 quantify them. They didn't give them a percentage but they
20 gave them guidance. They used that high, medium and low to
21 give guidance on where they would put their funding on
22 proposal decisions.

23 They looked at what other funding sources were
24 funding in terms of how much does category three need to
25 put in if other funding sources are also contributing to

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1 were not in the RFP that are CVPIA species.

2 So this was guidance on how -- where we would
3 probably put the funding to address those top priorities
4 species.

5 The integration panel took the same project
6 types and ranked them but not by any kind of percentage
7 funding going to one type versus another but just said the
8 highest project type is implementation on down to O and M
9 and they only wanted to look at project specific O and M
10 for short time periods but didn't exclude it either. All
11 this fit into how they were going to make decisions.

12 What we have done is just laid out here some of
13 the roundtable input through the funding process and the
14 BDAC input as well at all these points. We asked for input
15 on priority species and habitats.

16 We had input on proposal evaluation criteria,
17 the project types, the eligible actions. It was really
18 some direction to make it a broad scope RFP to bring in a
19 lot of ideas.

20 They helped set up a two-step process and give
21 us names and input in terms of who should be represented on
22 the review panels and integration panel. It was a
23 non-Agency/Agency combined panels.

24 And guiding principles were put together by the
25 integration panel to kind of help reflect that this is an

1 this effort and then a lot was just personal knowledge and
2 then the discussion of the panel.

3 The panel had lots of very productive technical
4 debates and discussion on every proposal and on all these
5 rankings and priorities so those are the group of 20.

6 I want to go into -- and it follows what's in
7 your packet. I have put together on a pie chart each of
8 the categories of how we've broken down the \$60,000,000,
9 and this is percentage by dollar. It's showing the
10 dollar, not the number of proposals.

11 There are 51 proposals that make up the
12 60,000,000, approximately 60,000,000. So this is a
13 breakdown by stressor groups. One other typo I see.

14 Anyway, the primary funding as you can see
15 comes under channel form changes and marsh plain flood
16 plain changes.

17 Now, this is a reflection of it being a high
18 priority action and stressor for many of the priority
19 species, but it's also a reflection on this is a high cost
20 stressor.

21 This involves some land acquisition costs and
22 restoration costs so what was coming in the door previous
23 rounds of category three was we are not spending -- I don't
24 think any -- or if it was it was small amounts on land
25 acquisition and restoration and so there was a -- I think

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1 we opened the door to opening that as an eligible type
2 proposal so that and it's just high cost to address this
3 stressor.

4 Water quality eight percent and entrainment was
5 11 percent approximately of \$60,000,000 and that also is
6 for entrainment, that's the fish screens would be more of a
7 reflection that a lot has been done in previous years and
8 also what comes in the door is ready for construction
9 versus are we at planning and feasibility stages so the
10 costs would be lower if it wasn't a construction cost.

11 But entrainment was also a high priority for
12 many priority species so it was considered something they
13 wanted to put their funding into.

14 What I will do is that one of the questions I
15 will be asking at the end and throughout is just does this
16 look like a reasonable allocation of and distribution of
17 funding as I'm putting each one of these distributions up
18 and we can take questions from the integration panel
19 members and myself.

20 CHAIRMAN MADIGAN: Why don't we ask that
21 question right now.

22 Does this look like a reasonable distribution
23 of funds?

24 I have Alex and then I have Richard and then
25 Bob.

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1 MR. HILDEBRAND: I have several questions.

2 To start with on the item within the channel
3 form changes item you include flood control projects on the
4 main stem of the San Joaquin River.

5 Who and how was it analyzed to determine what
6 was desirable in that respect and whether it was the most
7 cost effective way to use the funds?

8 KATE HANSEL: I'm not sure exactly where
9 you are looking.

10 Under the definition of channel form changes?

11 MR. HILDEBRAND: Yeah, under channel form
12 changes it lists gravel mining, gold dredging on
13 tributaries and then it has flood control projects on the
14 main stem of San Joaquin River San Joaquin River and
15 degradation of in-stream habitat, which is somewhat related
16 to that.

17 So I wanted to explore a little bit to get a
18 better understanding of just exactly what kind of flood
19 control projects we are talking about here and how they
20 were analyzed to determine they were the most cost
21 effective way to achieve that purpose and how that
22 interrelates with whatever you do about degradation of
23 in-stream habitat?

24 Because that affects the full capacity of the
25 channels.

1 KATE HANSEL: The primary funding for
2 this -- none of this funding is for construction of a flood
3 control project so I would have to know exactly which page
4 you are talking about maybe.

5 What it is is land acquisition for meander
6 corridors and expanding in terms of floodplain acquisition
7 along main channels of rivers to allow for more inundation
8 of the floodplain as well as marsh plain restoration, more
9 marsh restoration in the Delta tidal habitat.

10 MR. HILDEBRAND: Well, Lester told us in
11 writing that they've abandoned the idea of making the
12 San Joaquin River meander so you shouldn't be buying
13 property in order to accomplish that end if it's been
14 abandoned from the project as being undesirable or not
15 feasible and then this also gets into the question of how
16 much total land are you proposing to purchase and
17 re-allocate from agriculture to something else and will
18 that land still be taxed on the tax role or is that going
19 to be a loss to the tax role, questions of that kind, what
20 examination has been made of these things.

21 What happens to the water supply that the ag
22 people would have used?

23 Is it going to get used for wetlands or what's
24 going to happen to it?

25 KATE HANSEL: Well, each of those would

1 probably have -- several of those would have different
2 answers for different parcels.

3 These would be all willing sellers as we've
4 laid out in the RFP and has made it a mandatory requirement
5 and I think the number in the document here is 15,000 acres
6 is, from what I recall, is the acreage recommended -- would
7 be the acreage that would be acquired as a result of these
8 actions and they would be in Federal and State ownership.

9 We would be giving funding only -- primarily to
10 Federal and State ownership.

11 I think there is also some nonprofit ownership
12 as well.

13 MR. HILDEBRAND: Then it would come off
14 the tax role and that will have some impacts.

15 And you are going to displace quite a bit of
16 agriculture.

17 What are you going to do with the water that's
18 displaced that was appurtenant to those lands?

19 KATE HANSEL: Right.

20 My understanding is the water goes with the
21 land, but again I'd have to look at each one of these
22 parcels to see if there was some reason they wouldn't need
23 the water.

24 If it's just floodplain restoration and they
25 are not taking it but if it's riparian rights it would go

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1 with the land.

2 MR. HILDEBRAND: But if you were restoring
3 the floodplain by buying land why don't you first restore
4 the overflow of the lands that are already dedicated to
5 refuges and grasslands?

6 It would be a lot more cost effective.

7 MR. HALL: Can you clarify that to me,
8 Alex?

9 MR. HILDEBRAND: Well, as I said earlier,
10 I think maybe you were out of the room, we have in the
11 San Joaquin watershed down in the Los Banos area primarily
12 but not entirely something of the order of a hundred
13 thousand acres of dedicated refuges and grassland districts
14 and so forth.

15 They do not know accept full unimpeded
16 overflow, which would give the maximum benefit for sediment
17 disposition and for reducing the peak flow stages
18 (inaudible) by giving transient storage.

19 They accept some and then they shut it off just
20 when we need it the most.

21 Now we seem to have a lot of projects here to
22 go out and buy new lands and allow them to overflow instead
23 of restoring the overflow in the lands we've got.

24 It's a lot more cost effective to do the former
25 than to take care of what we already have.

1 asking about through one or more of the proposals and
2 sponsors of the proposals that was submitted?

3 MR. HILDEBRAND: Well, I don't suppose we
4 have any control over who decided to submit something that
5 he thought would be to his own interest.

6 MS. McPEAK: Right.

7 MR. HILDEBRAND: But the fact is that the
8 San Joaquin river management program back in 1995, early in
9 '95, proposed that this be done and nobody's taken it up.

10 It isn't in the program here in any place that
11 I'm aware of and it doesn't seem to me that if we have a
12 limited number of dollars, that we ought to spend them on
13 something that's less cost efficient just because somebody
14 who owns the grasslands, for example, -- or operates them
15 doesn't choose to make a proposal.

16 MS. McPEAK: well, we have been working on
17 voluntary land contribution, I guess, is the way I would
18 choose that -- those words, but can -- how would -- I
19 guess, Lester, maybe you would respond -- but how would we
20 get out exploring feasibility?

21 MR. HILDEBRAND: Somebody could go and
22 propose to these people down there, I've gone down and
23 talked to them, that if somebody would pay to raise their
24 duck blinds and their visitor centers and things like that
25 that then they would be willing to accept it but nobody's

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1 MR. HALL: I understand your point.

2 Thank you.

3 CHAIRMAN MADIGAN: Sunne.

4 MS. McPEAK: Alex, you said they shut it
5 off.

6 Who shuts off the flow at a certain point?

7 MR. HILDEBRAND: They control the amount
8 of water that's allowed to come through the levees.

9 MS. McPEAK: The landowners?

10 MR. HILDEBRAND: Or the districts.

11 MS. McPEAK: Or the districts.

12 MR. HILDEBRAND: These are not individual
13 landowners.

14 There is the Grassland Water District, a whole
15 bunch of fish and wildlife refuges, some lands that belong
16 to parks, some belong to Fish and Game.

17 The Corps made a reconnaissance study some
18 years ago that indicated you could overflow onto these
19 existing dedicated lands about 200,000 acre feet of water.

20 They would just accept it and that would
21 substantially reduce the peak water stages in the river.

22 MS. McPEAK: Well, is part of the problem
23 here that there wasn't that specific proposal submitted in
24 response to the RFP or is there perhaps also the
25 opportunity to explore the feasibility of what you're

1 offered to go and do that with some of our money.

2 CHAIRMAN MADIGAN: Michael.

3 MR. SPEAR: I'm Mike Spear, Fish and
4 Wildlife Services for those of you who don't know. Many of
5 those lands are owned by Fish and Wildlife Services,
6 national wildlife refuges for the purposes of migratory
7 bird management, specifically waterfowl.

8 There are only five percent of the wetlands
9 left in the Central Valley, approximately, that were
10 originally there.

11 They have a very specific purpose for
12 management of the Pacific flyway, a large percentage of
13 which rests on those lands you are talking about and they
14 are not there for the purpose of overflow protection or
15 sediment removal or -- and the notion that they would be
16 dedicated to that purpose would violate the fundamental
17 purpose for which they were acquired in the first place
18 would not provide the benefits to waterfowl, which is their
19 primary purposes, which would have no other places to go.

20 Many of those years they would not be receiving
21 any water. They'd sit there if you depended on overflow.

22 So what you are talking about is violating the
23 fundamental purposes for those lands that already are
24 frankly pretty fully committed as it is.

25 So as one of the entities you would be going to

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1 to ask the question, the answer is they already have a
2 purpose and what we are talking about is probably needing
3 more lands to provide the purpose that is the subject of
4 discussion here.

5 MR. HILDEBRAND: Yes. But when I talked
6 to your people down there, they are anxious to acquire more
7 lands, which would proceed full overflow.

8 MR. SPEAR: That's right.

9 And we are working on a proposal down there now
10 in the San Joaquin which would serve one of these purposes,
11 relieving floods allowing the water to come out of the
12 banks and spread out and lowering flood stages, et cetera.
13 So we are not in opposition.

14 It's just that your proposal would have gone
15 back on the lands that have already been dedicated and are
16 diked to be managed for other purposes.

17 CHAIRMAN MADIGAN: Kate, did you want to
18 add to that?

19 KATE HANSEL: Just that this is the, you
20 know, appropriate type of comment that we can pass on as
21 this package moves forward, is that looking at either
22 existing land opportunities or adding on to those Federal
23 refuges for these purposes.

24 I can't even say that there is possibly, you
25 know -- I wouldn't even know off the top of my head if this

1 marsh plains changes.

2 How much of that is just change of ownership
3 and how much of that is actually changing that land use and
4 does any of that include water to make these things work?

5 KATE HANSEL: My understanding in most
6 cases it's new land that would probably be currently
7 agricultural.

8 It's next to existing river systems and they
9 would allow the -- instead of when you're -- during the
10 existing meander when land is -- sediment is depositing and
11 it's being turned into agriculture you might let it go into
12 riparian habitat and prevent it from future transition to
13 ag land and on the other side where it's eroding letting
14 those lands erode so that you have the gravel deposition
15 into the river so you're taking lands on probably both
16 sides of the river so you're creating a meander and
17 allowing for more overtopping so it is a land use change,
18 it is acquisition and it has multi benefits.

19 I don't know if integration panel members want
20 to answer the question if I've answered your question.

21 You want to know about all of the multiple
22 benefits of these two types of stressors?

23 MR. IZMIRIAN: No. I understand the
24 benefits and agree with that.

25 I guess it's more of a question of how passive

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1 is specific proposals next to Federal refuges but I think
2 that it could be a gap that you are identifying.

3 That would be the type of comment for -- that
4 we would be passing on to CalFed management when they see
5 the individual proposals and seeing where they are being
6 acquired and where the other opportunities are we could be
7 doing a directed program with the next funding cycle to
8 work with those lands.

9 We'd have to, you know, balance it with the
10 other environmental benefits of migratory birds but that
11 could be a directed program.

12 MR. HILDEBRAND: But back on the
13 acquisition of 15,000 acres of farmland for other uses
14 maybe that's good and maybe it's bad but we've seen no
15 application of solution principles to them and Dick doesn't
16 want to do that until the thing's all wrapped up and see
17 how it fits in with other things, but it's premature to go
18 by these things on the assumption that they are going to
19 fit when we get around to analyzing them.

20 CHAIRMAN MADIGAN: Okay. Richard.

21 MR. IZMIRIAN: Well, I'll try to ask
22 what's left of my question.

23 I guess to judge the appropriateness of the
24 distribution here we have to know a little bit more about
25 what's happening on the channel form and floodplain and

1 is the activity?

2 KATE HANSEL: Passive.

3 MR. IZMIRIAN: Is it just owning the land
4 and letting nature do it work or --

5 KATE HANSEL: Right.

6 MR. IZMIRIAN: Or does it involve
7 structural changes?

8 KATE HANSEL: I would say in most cases
9 and it was a guiding principle of the integration panel and
10 it was also in the RFP is that we would emphasize physical
11 processes that would be self-sustaining and so that's what
12 this is in almost every case, maybe 90 percent.

13 We might have some planting projects in here
14 where we do land acquisition and planting and then
15 artificially irrigating to maintain them.

16 In most cases it was to be done naturally
17 through an ecosystem -- the process establishing itself.

18 MR. IZMIRIAN: Okay. The final part of
19 that question was whether any water acquisition was
20 available to make this work.

21 Was it related to any water acquisition
22 project?

23 KATE HANSEL: No. No.

24 There was no water acquisition in category
25 three and acquisition comes -- when you acquire the land

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1 you get the water with it and so that would stay with the
2 land.

3 MR. IZMIRIAN: I should probably rephrase
4 that a little bit.

5 Was there any integration with any particular
6 plan for water to make these projects work?

7 KATE HANSEL: If I -- irrigation system?

8 MR. IZMIRIAN: No. No.

9 Just stream flow that would actually make these
10 acquisitions function in the way they are designed to
11 function.

12 KATE HANSEL: They are using the existing
13 flow and going -- and the data shows that the existing flow
14 would let it happen on its own.

15 MR. IZMIRIAN: Thank you.

16 CHAIRMAN MADIGAN: All right.

17 Bob Meacher, your next.

18 MR. MEACHER: I guess my questions and
19 comments come of a background I'm not familiar with, CVPIA
20 category three funding processes, but after reviewing the
21 Agenda packet I found it difficult to determine what
22 projects were done in what geographic areas.

23 And in my interest, for example, it's not
24 possible by reading the document to determine if there were
25 any upper watershed programs or if any of these programs

1 MR. MEACHER: Yeah, I don't think we are
2 being realistic again. We are narrowly focusing stuff
3 along single criteria.

4 CHAIRMAN MADIGAN: Lester.

5 EXECUTIVE DIRECTOR SNOW: Bob, could I ask
6 a question?

7 In terms of what we would want to convey to
8 CalFed next week and the week after when they are meeting,
9 would it be safe for me to say the essence of your point is
10 that we must be funding projects in the upper watershed, I
11 mean, they are inevitable in the long-term and we must
12 start doing that?

13 Is that fair to say?

14 I mean, I'm summarizing it down but --

15 MR. MEACHER: Sure.

16 EXECUTIVE DIRECTOR SNOW: You wouldn't be
17 disappointed by that conveyance of information, okay.

18 CHAIRMAN MADIGAN: Okay. Good call.
19 Sunne.

20 MS. MCPEAK: A clarification.

21 Bob, I'm understanding that you are saying not
22 only should we be looking at watershed -- upper watershed
23 but also the charts that have been given to us identify
24 impacts by species and that from that it appears to be
25 narrowly focused.

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1 take place in those areas and it seems also apparent to me
2 and it's probably a result of the way the whole program is
3 put together that we are using a real narrow criteria to
4 focus on a single species.

5 We are going to get this document from the
6 scientific review panel talking about a vision and a long
7 range plan to solutions and in this case we are being very
8 narrowly focused.

9 It could be, I might be answering my question,
10 that it's just the nature of the process that requires the
11 selection process to go this way, but if that's the case I
12 would like to see BDAC in the next phase look at upper
13 watershed programs, if not now, in this phase, if it could
14 be added.

15 It also points to the need for us as BDAC to
16 look to improve the next funding cycle and it goes along
17 with my usual concern that the way this whole program gets
18 put together is that the requirements have made the
19 ecosystem roundtable in BDAC just sort of bystanders in the
20 funding selection process.

21 CHAIRMAN MADIGAN: All right. Those are
22 all good comments to be passed along.

23 Is one of your comments specifically that we
24 still are sort of being endangered species driven rather
25 than habitat driven in the funding for this?

1 Now, my interpretation of this, and I'm asking
2 now clarification, Lester, is that we had proposals that
3 were category three and habitat restoration.

4 What you've done is now look at the impact on
5 species as you best understand the science and the working
6 hypotheses in the habitat restoration proposals and given
7 us some kind of impact statement here but that the
8 proposals were not, for example, focusing on fall-run
9 Chinook salmon.

10 It was focusing in on habitat restoration that
11 might have some specific and multiple species benefit.

12 Is that true or not true?

13 KATE HANSEL: I would say that an
14 integration panel deliberated on this a long time.

15 We were using ecosystem methods to restore
16 species and those species have been targeted because they
17 are the most threatened at this point.

18 So the methods to restore species have
19 been -- they've taken a bigger picture look at the system,
20 more of a systems approach.

21 MS. MCPEAK: So Bob is right.

22 KATE HANSEL: We've used all the species
23 as the indicator to restore the ecosystem is what we've
24 done and trying to target our efforts to make sure that we
25 are both addressing the most broken pieces and doing

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1 it -- restoring the system as a whole and having
2 multispecies habitat benefits.

3 MS. McPEAK: I do get it that we'd still
4 use indicators of -- including some that would be specific
5 species to show -- to look and see whether or not ecosystem
6 restoration was working.

7 Bob, what would be different in your approach
8 if it weren't as narrow as you think it is?

9 MR. MEACHER: I think it would focus more
10 on the whole system rather than looking -- like I said, I
11 have to claim a little bit of ignorance in this whole
12 category three process.

13 I'm not real familiar with it, but it seems to
14 me to be too narrowly focused on those big ticket
15 short-term concerns and I'm wondering if it's mandated in
16 the funding that we do it that way or if it's just
17 something that the team decided to do that way and it
18 brings me back to, well, what is BDAC's role then in making
19 these \$60,000,000 decisions?

20 It's sort of after the fact to me. It's a
21 policy issue here.

22 CHAIRMAN MADIGAN: Our role today is to
23 elicit from each of the members here comments that would be
24 taken back to CalFed.

25 I mean, that's specifically what we are after

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1 and so the comments that you've made are good once and
2 several deserve, you know, a thoughtful response and
3 particularly I think your question of are we being driven
4 narrowly or broadly in this process --

5 MR. MEACHER: And it seems to me that just
6 by the way we've set that up there that we can't focus out.
7 It has to be narrowed so I think Lester's got my point.

8 CHAIRMAN MADIGAN: Hap.

9 MR. DUNNING: To return from the general
10 to the specific I'd like to come back to Mike Spear's
11 answer to Alex's point suggesting that the refuges in the
12 San Joaquin Valley be called upon to assist with regard to
13 flood management and the response was that they are already
14 dedicated to the primary purpose of waterfowl and Pacific
15 flyway and so forth. I understand that.

16 On the other hand, under the Federal law
17 governing refuges secondary uses are authorized if they are
18 compatible with the primary use so I'm not clear how in
19 your opinion occasional use for flood management purposes
20 would be incompatible with the primary purpose of waterfowl
21 if as Alex suggested certain changes were made in the
22 physical elements of the refuges.

23 MR. SPEAR: I'd respond by saying that I
24 think we have to take the context.

25 The context of the question was that there was

1 a lot of land, a hundred thousand acres or more, sitting
2 down around Los Banos that could be dedicated to this
3 purpose and, you know, the purpose of providing flood
4 waters, receiving sedimentation, et cetera, and my response
5 was simply to say that those lands already have a purpose.
6 Some of their -- I agree with you.

7 Some of the activities of receiving flood
8 waters are compatible, but the suggestion was that there is
9 a wholesale hundred thousand acres that could be redesigned
10 and to receive flood waters for another purpose, you know,
11 appearing to forget, you know, I think, the purpose that's
12 already there, as if the flood water purpose was a higher
13 priority and I just want to make a point that there was a
14 pretty high priority right now trying to maintain the
15 Pacific flyway.

16 We are, in fact, involved in exactly what
17 people are talking about, trying to deal with some of the
18 lands in flood prone areas where we can in some cases
19 acquire easements, farming can be done for some years and
20 in flood years it can receive flood waters so there is a
21 great variety of things that can be done and we are very
22 much a part of it but that's a different thing about
23 dealing with some of the questions of the future than any
24 sense of a wholesale design of what's already there or
25 redesign of what's already there.

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1 MR. HILDEBRAND: I didn't mean to suggest
2 that you abandon the present purposes but merely that we
3 try to make it compatible by doing both things and the
4 degree to which that can be accomplished obviously takes
5 some study but it appears from the discussions I've had
6 with Gary Zomm (phonetic) and Scott down there, for
7 example, that there is an opportunity there which would
8 provide more compatibility with flood controls and the new
9 acquisitions that are being discussed, not that I'm against
10 those, but I think that they're less cost effective.

11 CHAIRMAN MADIGAN: Hap, was that a
12 satisfactory response?

13 MR. DUNNING: (Affirmative nod)

14 CHAIRMAN MADIGAN: Okay.

15 Bob Raab.

16 MR. RAAB: On page 11, Table F, geographic
17 areas, 60,600,000 plus dollars are going to be allocated
18 and of that amount 751,000 is going to be allocated to
19 North San Francisco Bay and there is a strong feeling where
20 I live that the North Bay has been stinted --

21 CHAIRMAN MADIGAN: stinted?

22 MR. RAAB: Stinted.

23 CHAIRMAN MADIGAN: stinted.

24 Hopefully, not in the refugia.

25 MR. RAAB: What is your definition of

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1 stunted?

2 MS. McPEAK: We don't know.

3 What's yours?

4 KATE HANSEL: I got your point.

5 MR. HALL: Can we move on, Mr. Chairman,

6 please?

7 CHAIRMAN MADIGAN: Yes.

8 MR. RAAB: I want to check with you about

9 this later.

10 We've got 40,000 acres of diked Bay land that

11 have a huge potential for aquatic restoration and

12 consequent food chain and habitat benefit for endangered

13 species and we thought in some of the proposals that I saw

14 we were right on target and that we should do very nicely

15 by getting maybe two percent or three percent of the money

16 that's been allocated.

17 I heard from eight organizations just in Marin

18 County that are involved in restoring wetlands, two State

19 and Federal groups, the coastal conservancy and the

20 San Francisco Estuary Project all saying please say

21 something at the BDAC meeting about how poorly we feel

22 we've been treated in the Bay Area.

23 So I just want to get that out, that this is

24 supposed to be a Bay, a Delta program and yet we don't see

25 the Bay getting very much at all.

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1 KATE HANSEL: I can try to give an

2 explanation and then I'll still say that that's the type of

3 commented we were expecting and we will be passing on as

4 well.

5 We got a lot of very good proposals from the

6 North Bay and high quality and high priority species but

7 the linkage to the Delta species -- the species in the RFP

8 that we laid out earlier, they have a link but it's not as

9 significant of a benefit to those species as these other

10 geographic areas and that's what the integration panel came

11 down to is for the biology of the bang for the buck. It

12 wasn't there as much in the North Bay.

13 CHAIRMAN MADIGAN: But the point is made

14 and will be carried back to the group?

15 KATE HANSEL: Uh-huh (yes).

16 CHAIRMAN MADIGAN: Okay. Steve.

17 MR. HALL: Me?

18 CHAIRMAN MADIGAN: Yes.

19 MR. HALL: Let's see. Well, let me go

20 back here.

21 On the point about where geographically the

22 money is being spent, like Mr. Meacher I'd like to see

23 it -- in fact, I'd love it if Lester would make my points

24 for me as effectively as he did for Mr. Meacher, but I

25 actually agree that we ought to take a look at the entire

1 watershed including the upper watershed but I hope we are

2 all in agreement on some fundamentals and, that is, we are

3 going to do those things which have the most environmental

4 bang for the buck and for those who are distressed that we

5 are spending too much on endangered species, boy, I sure

6 hope that's the focal point.

7 First of all, we've got a fairly serious

8 conflict over endangered species and, second, if we don't

9 use those as indicators, I don't know why we are not.

10 So I hope we are spending most of our money on

11 endangered species.

12 Along those lines direct entrainment has been

13 represented to be a very key contributing factor of the

14 decline and so I guess I'm wondering you only have 11

15 percent dedicated to it.

16 Is that due to the fact that there were not

17 enough good projects that you don't think it's as important

18 categorically as it's been represented or that -- or what

19 is the reason, I guess?

20 KATE HANSEL: It's a combination.

21 That it was and is considered a high priority

22 in terms of addressing for species recovery and so -- but

23 it would be in several cases more of a geographic focus so

24 in the areas where they felt like it was the most

25 important, the San Joaquin and the Sacramento River and the

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1 Delta, those projects in almost every case, if they were

2 addressing the right species, was funded, was recommended

3 for funding and it would be probably the one area where

4 entrainment wasn't funded would be in the Suisun Marsh and

5 that was because of for the biological benefits they felt

6 like there was a lot of work had been done in the marsh

7 already with screens and in terms of where we need to put

8 our priorities this year maybe move them to a different

9 geographic area but it doesn't mean the marsh is not still

10 a critical concern.

11 So it also is of are they at a planning phase

12 or a construction phase so I think it's just kind of the

13 window we got at in terms of entrainment proposals. It

14 surprised a lot of people.

15 MR. HALL: Yeah, including me.

16 Interaction -- undesirable interaction with

17 other species, also a very big ticket item for survival of

18 small salmon. It got two percent of the money.

19 Do we lack good projects or what?

20 KATE HANSEL: I think that a lot of some

21 of the -- I haven't go to the slide but there's like four

22 reasons proposals weren't funded and this is considered a

23 gap just like you identified and it might need to be

24 directed program and that the proposals were good.

25 In many cases they weren't addressing the focus

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1 of what the integration panel felt was the most important
2 area to focus on so we would want to work with the
3 applicant or direct the proposal in a different way and so
4 for this RFP with the constraints we had we didn't
5 negotiate proposals.

6 We basically if the proposal could be funded as
7 it came in, except maybe take a phase one as opposed to all
8 three phases, we could go ahead and so we set aside some
9 proposals that were high priority proposals that we needed
10 to work with applicants and I believe some of the category
11 you identified is in that group. So it's considered a gap.

12 CHAIRMAN MADIGAN: Okay. I have Stu and
13 then we move on with your presentation. Stu.

14 MR. PYLE: Yeah.

15 Kate was asking what the -- in regard to this
16 table on stressor groups, the graph on stressor groups
17 whether that's an appropriate allocation of the funding and
18 it doesn't appear to me to be very balanced and I agree
19 with Steve in bringing up a couple of points he does and I
20 would kind of add to that a question about why the flood
21 plain, marsh plain received such a large amount of the
22 funding.

23 I would think that -- and then I think another
24 clarification that needs to be made here in regard to the
25 money and the programs that we are working under, the

1 meet the needs that meet the basic programs?

2 KATE HANSEL: We will be doing directed
3 programs and with the next round of Federal funding that's
4 been allocated what portion of that would be for directed
5 programs versus RFP hasn't been -- another request for
6 proposal hasn't been identified but I think we all agree
7 that we got a lot of very good proposals but there is a
8 benefit to saying, well, we know now we really want to do
9 something to address this issue so let's not wait for a
10 proposal to come in.

11 Let's go out and work with suitable applicants
12 and put a proposal together, a program together. So that
13 would be done with the next round of funding. A portion of
14 the funding would be working at what we're calling directed
15 programs.

16 CHAIRMAN MADIGAN: Okay. It's back to
17 you -- I'm sorry, Ann.

18 ANN NOTTHOFF: I just wanted to say that
19 this discussion has provided me with the benefit of
20 remembering that NRDC, I think, does have some tendential
21 involvement in one of the proposals so I am removing myself
22 from this --

23 CHAIRMAN MADIGAN: Okay. Thank you very
24 much for that.

25 Go ahead, Kate.

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1 category three funding, which relates to the December, '94
2 accord and endangered species as Steve was bringing up and
3 that we are kind of shifting gears here.

4 We are not thinking about the universal
5 programs that we are talking about in the ERPP, whether
6 these take care of the long range, and I think what we are
7 dealing here with is the question of the short-term goals
8 and short-term programs and how they fit into the long-term
9 program so I would say even that if there is not a good
10 distribution of funding amongst these stressor groups,
11 there probably is such a need out there that if they are
12 good programs, that these probably do a good long-term
13 program, long-term accomplishment in meeting some of the
14 needs.

15 But the question would be as to how you relate
16 these accomplishments that are being done under the
17 category three for the long-term goals, how long does the
18 \$60,000,000 last, are these, you know, one, two, three,
19 four, five-year programs that are going to burn out pretty
20 soon?

21 Is there another slug of money coming that's
22 going to come into some other programs and are there some
23 steps that can be taken to make sure that the programs
24 where we see the gaps whether they are entrainment or
25 (inaudible) or whatever how do you encourage proposers to

1 KATE HANSEL: I'm going to correct myself
2 and maybe the integration panel members can help me as I go
3 through if I give the wrong explanation.

4 I just went back to undesirable species
5 interaction and for the -- and he's left the room but the
6 integration panel recommended the low amount of funding
7 because of a priority -- actually considering it a low to a
8 moderate priority not because it just was a gap in the
9 proposals that came in. So that's a correction.

10 I'm going to go to project type. As you saw in
11 the priorities implementation was a high priority.

12 What gets covered in implementation is the land
13 acquisition component, the restoration construction.

14 It could be pilot studies or ready to go with
15 full -- you know, less certainty and then we have smaller
16 amounts of funding for the other categories and in planning
17 it would be as much as feasibility studies, planning and
18 design as well as watershed planning.

19 We are funding approximately about a million
20 and a half was recommended for watershed planning and
21 implementation and as someone pointed out earlier there is
22 no upper watershed proposals.

23 The next one is split the 60,000,000 by
24 applicant type. This also is a high amount of money shown
25 for Federal Government primarily because funding was for

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1 land acquisition, either State or Federal agencies and a
2 high percentage for the public nonprofit joint ventures.
3 People that join forces came in with an application.

4 In most cases that's State and nonprofit joint
5 ventures that came in and also land acquisition restoration
6 is what makes up a big portion of that.

7 We break it down by habitat types which also
8 kind of falls out of what types of stressors were
9 addressed.

10 We have the shaded riverine aquatic comes a lot
11 with channel form changes as does -- and floodplain
12 restoration as does the seasonal wetland and aquatic and
13 in-stream habitats. So you get those habitats coming from
14 the types of stressors that we've addressed.

15 The next is we took a stab at species benefits
16 and this was the page that I handed out that was a revised
17 page.

18 What we did here is we have looked at species
19 in two different ways and this is good indication in the
20 next slide of how we are trying to show that's a
21 multispecies benefit.

22 We had species in the RFP so we felt like we
23 needed to try to line up the proposals with what's our
24 primary focus of why we are funding that proposal.

25 In most cases if it was benefiting the first

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1 tier priority species that was why we were funding the
2 proposal in many cases but the benefits of a
3 proposal -- they had multiple benefits to many species so
4 we put this overhead together to show that what we do here
5 is we take the primary species over here where we've really
6 identified in many cases one species that would be
7 benefiting from one proposal and we put a hundred percent
8 of the dollars into that species and would many times come
9 out to be winter run or San Joaquin fall-run and then what
10 we did was we said well, that's not a true indication of
11 how the benefits really fall out.

12 So we've taken, for example, a proposal over
13 here to do floodplain restoration on the east side Delta
14 tribs and where we would show San Joaquin fall-run to be a
15 hundred percent of the funding would have been over here.

16 We now have distributed the benefits and we
17 take those distributed benefits and come up with a hundred
18 percent of the funding but it's split now into five
19 categories so those dollars then split over here and you
20 have much more of a distributed benefits and it shows the
21 multi-species distribution of benefits for all of these 51
22 proposals.

23 I don't know if there is questions about that
24 but when it's very few -- when it's very few species that's
25 when we take the hundred percent, San Joaquin fall-run and

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1 this amount gets very big but when we take it and take that
2 same proposal and show that there is many benefits to that
3 one proposal.

4 The migratory bird, for example, goes up. Now,
5 these are just estimates. We could argue with on how the
6 percent is split out for every one proposal.

7 We took a stab so it gives you just an
8 indication that there are a lot of multiple species
9 benefits to these proposals.

10 This was just a summary of why some of the
11 proposals weren't funded. We had a lot of very high
12 quality proposals.

13 We basically had 60,000,000 so some of the high
14 priority proposals weren't put into the first 60.

15 We were looking for the primary benefits to the
16 priority species and how we would resolve Bay-Delta
17 conflicts and then in many cases we liked the proposal, it
18 was hitting right where we wanted it to, but we needed to
19 rescope it to really target that portion of the proposal
20 that was of most benefit to where we could be most
21 effective with our dollars.

22 The gaps that were identified by the
23 integration panel and some that you've already hit on but
24 one is at the top, the water quality.

25 The integration panel really felt like they

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1 really wanted more guidance in a coordinated fashion on
2 water quality programs and proposals that really addressed
3 ecosystem restoration so with a real ecosystem emphasis.
4 We wanted definitely to fund and work on a directed program
5 for landscape monitoring program.

6 This is the comprehensive monitoring program
7 that needs to come along with these 51 proposals as you
8 start implementing the restoration program. Two species
9 needed additional research on life history.

10 Certain geographic areas they felt like were
11 gaps they wanted to either direct programs to or solicit
12 more proposals next time.

13 The small fish screen program is a gap they
14 wanted to work with applicants on defining that small fish
15 screen program and the last two introduced species and
16 adverse harvest impacts where either the proposals were not
17 the right scope or they didn't come in and they wanted to
18 work with them so things that were still high priority and
19 they wanted to put funding in for the next round on those
20 issues.

21 So again the same questions that we've been
22 asking all along, is the allocation of funds reasonable,
23 are there adjustments needed to this packet, are there gaps
24 that should be funded in 1997 or wait until the next round
25 so I've gotten some of those comments.

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1 I don't know if there are any other comments on
2 the funding allocation.
3 CHAIRMAN MADIGAN: Stu.
4 MR. PYLE: I have one other comment. I
5 think the whole process is to use the word we use around
6 the house, crummy.
7 You know you are asking us to comment on these
8 things by putting on blindfolds and a pair of gloves and
9 then feel around on them.
10 I think the whole process of dealing with these
11 things in terms of secret, not being open up and tell us
12 what programs you have, who the proposers are, what the
13 amounts of money involved are, where they are going to be,
14 I just think that stinks and I think the -- I
15 understand that you've explained it to me why you do that
16 before and I understand that, but I think if we are going
17 to talk about doing these programs over the next 50 years
18 in California and having a wide open view on what's going
19 on and what's going to happen somebody better get this
20 process by the tail and figure out a new way to do it.
21 MR. HILDEBRAND: I agree and I think it
22 ought to be clear that BDAC is not in a position to endorse
23 this. We just don't have the information.
24 CHAIRMAN MADIGAN: And indeed the purpose
25 today is to solicit your comments based on the information

1 back in and it's time for us to get underway.
2 Let me make one point for the record before we
3 get started.
4 I introduced Tom Decker earlier as a new member
5 around here and I may have left the impression that he was
6 solely representing the Bank of America and while that is a
7 remarkable institution and well worth being represented he,
8 in fact, represents the California Chamber of Commerce and
9 we welcome you wearing both hats.
10 MR. DECKER: Thank you, Chairman.
11 My other job is the bank.
12 CHAIRMAN MADIGAN: Right. Fair enough.
13 All right. Moving on to the last item that was
14 on the Agenda before lunch, the overview of the CalFed
15 Program.
16 Mr. Snow, you are on.
17 EXECUTIVE DIRECTOR SNOW: Thank you.
18 The point of this item could have been labeled,
19 I guess, a stroll down memory lane.
20 It was an effort to try to provide a little
21 more context on where we've been in order to get into the
22 next discussion which is really starting the evaluation of
23 the alternatives, a discussion of our process to identify
24 hybrid alternatives leading to a preferred alternative and
25 we are already starting to see some discussions come up,

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1 that you have received and get those comments back so your
2 comments are appropriate and recorded and will be passed
3 back.
4 Next. All right. Thank you, indicate.
5 CHAIRMAN MADIGAN: All right. If there
6 are no further questions by members of the BDAC this is an
7 appropriate time for public comment.
8 Does anybody from the public wish to comment on
9 the information that you have seen in this last Agenda
10 item?
11 If not, then we are going to break for lunch.
12 It is now 20 minutes after 12.
13 We'll take 45 minutes for lunch and be back at
14 five minutes after one.
15 The lunch for the BDAC members is downstairs --
16 don't know.
17 Somewhere in this building there is lunch for
18 the BDAC members. Good luck.
19
20 (Whereupon the noon recess was taken at
21 12:20 p.m., after which the following
22 proceedings were had at 1:12 p.m.):
23
24 CHAIRMAN MADIGAN: All right. It's a
25 little after one. Most everybody seems to have wandered

1 identification of trade-offs.
2 I think it's important to understand where
3 we've been, some of the base assumptions that we've made as
4 we have gotten into this program so I want to go through
5 that and do a very, very quick summary of the Common
6 Programs and give an opportunity if people want to indicate
7 concerns that they still have of Common Programs that we
8 need to carry forward as we try to finalize the program.
9 I'll try to go through this quickly and some of
10 it, of course, is old stuff but again some of this old
11 stuff which we didn't talk a lot about is becoming more and
12 more relevant as we get close to making a decision.
13 You may recall that the general approach,
14 collaborative, try to keep everybody engaged, an ecosystem
15 based approach much broader than simply dealing with the
16 current endangered species but perhaps most important to
17 this kind of historical overhead here was our declaration
18 early on that we weren't going to set out and say that we
19 already had a preferred or we already had prohibitive
20 approaches when we moved forward, that everything was on
21 the table for consideration.
22 We clearly established the concept that there
23 are a number of things wrong with the Bay-Delta system.
24 We ended up putting every one of the problems
25 in one of these four categories and as illustrated in this

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1 kind of puzzle that they are all linked together and it's
2 not possible to solve water supply without solving water
3 quality ecosystem and the system vulnerability and that's
4 important to keep in mind as we move forward.

5 No one of these meets the objectives of the
6 program or meets the solution principles.

7 It's only when they are taken together that we
8 can try to move forward with a comprehensive program.
9 Furthering that point we've illustrated that there is a lot
10 of overlap between the areas and we have strived to try to
11 find solutions in the overlap area and try to minimize the
12 number of approaches that are isolated single purpose to
13 try to find water quality, improvements that improve
14 ecosystem health, improve water supply reliability and make
15 changes in the way we do business in water supply that in
16 fact have ecosystem benefits to them and so that's real
17 important as we get into this integration process and
18 evaluation process. We laid out three phases, as you may
19 recall.

20 Phase I is the problem objectives, rough
21 solutions. Moving into Phase II, which is the programmatic
22 evaluation.

23 You'll notice on this historical slide we had
24 September, '98, and our current schedule that's roughly
25 November of '98 so since the beginning of the program we've

1 reducing risk to failure, dealing with habitat issues and
2 interfacing with levee system, water quality objectives
3 that deal with drinking water, agricultural water,
4 industrial use, in-Delta water quality and environmental
5 water quality needs.

6 Kind of as an overall guidance, we worked with
7 the Bay-Delta Advisory Council on solution principles.

8 Again, on the wall over there there is a lot
9 more detail about these solution principles and we have
10 developed narratives and kind of subpoints about each of
11 these.

12 You may recall in the discussion we originally
13 came to you with five solution principles and through BDAC
14 discussion we modified some of them, kind of increased the
15 level of detail, but then added the sixth one at the
16 bottom, and that was that our solution should not
17 redirect -- significantly redirect impacts to another
18 geographic area or another beneficial user and that is an
19 important issue.

20 This has become kind of the common way that
21 we've talked with folks about how we are solving this
22 problem, that the main problem area is here and we end up
23 working with the whole State to solve that but you may
24 recall early on in Phase I we dealt more substantively with
25 the issue, and we ended up saying that while this is the

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1 seen roughly 60 days slippage in the end date.

2 Phase I we went through four steps -- or six
3 steps rather, defined the problem, leading to evaluation,
4 refining alternatives and coming up with the alternatives
5 that would move into Phase II.

6 Some important things took place in terms of
7 goals and objectives, the Mission Statement, actions,
8 developing strategies on how to combine the actions and
9 probably some of the more important activities that BDAC
10 engaged in, you may recall when we had our meeting to deal
11 with the Mission Statement, what is our basic mission in
12 this program.

13 And it is to develop a long-term comprehensive
14 plan that will restore ecological health and improve water
15 management for beneficial uses in the system so that's kind
16 of still our guiding mission.

17 I'm not going to go through in any detail but
18 we laid out not only objectives but subobjectives. We've
19 got pages and pages.

20 If you remember the documentation report for
21 the Phase I completion report we probably had 35, 40 pages
22 of objectives to be accomplished for each of the program
23 areas including ecosystem I just had up there, water supply
24 reliability, system vulnerability in terms of dealing with
25 existing risk in terms of reducing risk in terms of

1 problem area the solution really lies in the entire
2 watershed plus the water service area and that that's where
3 we have to direct our solutions.

4 You may find solution that have to do with
5 conservation in Los Angeles or watershed management in the
6 upper watershed and so while we had a specific problem area
7 we ended up identifying a much larger area.

8 And again, to kind of relate to maybe even some
9 of the questions coming up with the science panel, early on
10 we indicated that while this is the problem area it has
11 inputs and outputs that affect the rest of this area.

12 The best example of an input coming into the
13 Delta and up into the Valley is salmon as it migrates,
14 water quality coming down into the system affecting not
15 only the Delta but ultimately the Bay and so the whole
16 system is linked together even though we've identified the
17 Delta at Carquinez as basically the problem area.

18 This ends up being best seen in the ecosystem
19 program where we've ended up again highlighting the problem
20 area but with a very focused area as well as a watershed
21 activity and near shore.

22 And so to deal with problems manifest in the
23 Delta you even end up talking about harvest issues in the
24 ocean, upper watershed issues, watershed issues that drain
25 into the South Bay so all of that becomes part of it.

1 Also, early on, this is something we've talked
2 about frequently, we had some basic guiding assumptions as
3 we went into this.

4 A lot of the conflict over water really ends up
5 being sensitive to the fact that water varies -- the value
6 of water varies by flow rate, time of year and water year
7 type, and that was a basic premise we used going into this
8 whole program in framing the alternatives.

9 Additionally we had the assumption or basic
10 premise that restoration of ecosystem function will recover
11 species but it also provides water supply benefits in terms
12 of reducing constraints.

13 Some additional guiding assumptions early on in
14 the program, that the value of stability of levees was not
15 just a land issue in the Delta.

16 It also provided protection for environmental
17 resources as well as a much larger agriculture and urban
18 area water supply so it's not just a localized issue.

19 And I guess another kind of guiding assumption
20 was that as we moved forward and developed a preferred
21 alternative we need to make sure that we are putting
22 together strategies that optimize water quality and as a
23 guiding assumption in the water quality program the control
24 of pollutants at their source is preferable to treatment.

25 I want to hit kind of a key issue again that we

1 discussed early on in the program. It has to do with the
2 water budget and the water balance and what we are taking
3 on in this program versus solving statewide problems.

4 This is kind of a busy slide. You may remember
5 it. This is in our historical archives. It's a famous
6 one, Mike.

7 You don't?

8 MS. McPEAK: Neither one of us remember
9 that slide.

10 EXECUTIVE DIRECTOR SNOW: You don't
11 remember this one?

12 I am hurt.

13 You remember it, don't you?

14 ANN NOTTHOFF: Yeah.

15 CHAIRMAN MADIGAN: There's one.

16 EXECUTIVE DIRECTOR SNOW: Byron carries a
17 copy with him.

18 Do you want it autographed?

19 This is a little busy to do a lot with but it
20 kind of shows the diversity of the system and where water
21 supplies are diverted.

22 You have water coming out of the Delta, six
23 million acre feet of pumping diversion in an average year.

24 The point that I wanted to show here and it
25 goes to the issue of where we declared that CalFed is not

1 going to take care of the State's water needs for the
2 entire State. We are going to try to balance this system.

3 And what's going on south of the Delta here
4 just to illustrate, there is 17 million acre feet of total
5 water use. Only six of it comes out of the Delta.

6 The rest of it comes from other sources,
7 Colorado River, groundwater supplies, local surface water
8 supplies and so it's only six out of 17 million that ends
9 up getting used out of the Delta and that's kind of an
10 important issue when we are looking at, for example,
11 conservation here (indicating) does all of that
12 conservation result in changing this number or modifying
13 this one or Owens Valley (indicating)? I mean it gets
14 spread in a lot of places.

15 The other issue is that this takes place on the
16 back of roughly 600,000 to a million acre feet of annual
17 overdraft. So this balance takes place on top of an
18 imbalance.

19 In looking at the Bay-Delta system in
20 particular -- Mike, do you remember this one?

21 CHAIRMAN MADIGAN: I do remember that one.

22 Do I remember that one?

23 MS. McPEAK: Yeah (affirmative nod).

24 EXECUTIVE DIRECTOR SNOW: To kind of
25 illustrate the variability of the system by its hydrologic

1 year type from critical to wet, the purple is Delta
2 outflow, the yellow is export, the green is in-Delta use,
3 depletions in the Delta and the red are the upstream
4 diversions that take place and you can see a wide variation
5 in Delta outflow and some variation within the depletions
6 of the system, and you may ask why do the depletions reduce
7 during wet years?

8 And typically that's because there is a lot of
9 local resources during wet years and diversions or demands
10 out of the system that are reduced or suppressed.

11 And no big surprise as we've discussed in the
12 past. The greatest conflict takes place in critical and
13 dry years, not exclusively but the greatest conflicts take
14 place in those years.

15 Further, a key issue in terms of this time
16 value was looking at the individual years and the lighter
17 line here -- and you may recall when we talked about this
18 in terms of storage -- we called it the before project but
19 it's kind of the current type of hydrograph you see in
20 terms of Delta outflow and then we overlaid on that how you
21 might operate Sac Valley storage and so that shows having
22 storage that takes some of these high flows, allows you to
23 store them and put back in the system during these low or
24 critical periods.

25 Again, that was just kind of a concept that we

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1 laid out and you may recall that subsequent to illustrating
2 this we even talked about not affecting the peaks but
3 looking at taking some of this falling side of the
4 hydrograph to maintain the peaks in the system and move
5 that to these more conflicting periods.

6 What that translates into, again, to deal with
7 this time value of water issue, we tried to overlay that
8 concept on the original hydrograph and so you start
9 seeing -- picking up some of this water and banking it in
10 storage, groundwater, surface water, and then using it to
11 split, increase outflow as well as increase available ag
12 and urban supplies in other years.

13 So that's an important concept in terms of how
14 you do win-win on these kind of flow issues.

15 And the reason I'm bothering to go through
16 this, this is an important issue. We've talked about it in
17 the abstract a lot over the last two years.

18 As we start dealing with these alternatives
19 this concept becomes more and more real, when can you do
20 it, how much can you do, how much mutual benefit can you
21 get out of operations such as this?

22 And, again, the mechanism for doing this is a
23 combination of storage, surface, groundwater, as well as
24 transfers, and transfers can be used to move water between
25 years as well as allocate it within a year, the timing

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1 within a year.

2 This also gets at an issue of where people have
3 wanted us to establish a supply target, an absolute target
4 that CalFed is developing.

5 Our point is that's the old way of doing this,
6 where you come up with a supply and demand projection and
7 you say that's how much water that you need, then
8 invariably what you're saying is you are going to meet all
9 of the demand that there is out of the Delta and if demand
10 grows you're going to increase supply out of the Delta.
11 Our point is that there is a way to balance this system and
12 meet multiple objectives and it's relatively insensitive to
13 future demand.

14 You are trying to balance this system, move
15 water around to meet mutual objectives and not end up in a
16 situation where you are constantly arguing over supply and
17 demand and whose numbers are right. We probably need to
18 come back to that, but let me go ahead and move on.

19 I've been told my time has been cut.

20 CHAIRMAN MADIGAN: True.

21 EXECUTIVE DIRECTOR SNOW: Anyway, out of
22 Phase I we ended up with these five basic components that
23 comprise the alternatives.

24 And what happened in Phase I in scoping
25 comments is we got a lot of comments and we summarized

1 those.

2 We clearly got an indication that the best
3 possible source water quality is important to urban users.
4 That was widespread in scoping.

5 Delta levees need to protect agriculture,
6 infrastructure and habitat no matter how water is conveyed
7 in the Delta. That was independent of your decision about
8 Delta conveyance. You have to do that.

9 You may recall as we went into scoping we had
10 an ecosystem program in different levels, modest, moderate
11 and high, I believe, and basically what came out of scoping
12 was that the program needs a single coherent vision of
13 ecosystem restoration at the high level and that's when we
14 dropped the different levels of ecosystem restoration.

15 The same kind of comment on water use
16 efficiency, not different levels. If you can achieve that
17 level of water use efficiency it needs to be included in
18 all of the alternatives.

19 So that resulted in basically in Phase I in
20 this approach, the three basic alternatives, with the
21 common programs and with different levels of storage and
22 distinguished largely by conveyance.

23 During Phase I -- to highlight some of the BDAC
24 guidance -- we dealt with the geographic scope back in
25 October of '95.

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1 BDAC was involved in the CalFed Mission
2 Statement, in the pages and pages of problem definitions as
3 well as program objectives which are all part of the
4 Phase I completion report.

5 Also, in terms of how we got where we are, BDAC
6 reviewed some of the approaches that we were taking and in
7 February of '96 formed the finance working group.

8 The next month, in March of '96 formed the
9 Ecosystem Restoration Workgroup and in April the Water Use
10 Efficiency Workgroup so those were deliberations that took
11 place and BDAC recommended some specific guidance in those
12 areas.

13 In terms of the preliminary Phase I
14 alternatives that moved on into the Phase II to summarize
15 basically BDAC indicated that the alternatives in their
16 breadth of range represented a reasonable range of
17 alternatives.

18 At that time you may recall we had a
19 controversy going on about the role of ag land retirement
20 and basically the comment that early on there was probably
21 too much reliance on the role of ag land retirement in
22 solving the problem and a general comment of optimizing the
23 common programs to try to get them as efficient as possible
24 as we move forward and not have the different levels.

25 Also, as part of that, it's kind of related to

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1 the water budget stuff I just went through, we did get
2 agreement that the goal was to create a Bay-Delta solution
3 and not resolve statewide water policy issues. We tried to
4 balance the Bay-Delta system.

5 Clearly, that we needed a solution that was
6 ongoing and durable, changes that were identified need to
7 be managed through adaptive management and this comment
8 went beyond ecosystem. We went to the broader program in
9 making sure that there was an ability to respond to future
10 uncertainty.

11 In October of '96 in terms of advice provided
12 by BDAC we didn't start out this way but where we ended up
13 was BDAC saying that the water use efficiency program
14 needed to address urban, agricultural and environmental
15 sectors, particularly out of stream diversions for
16 environmental purposes and also that the basic approach on
17 water transfers was appropriate and I'll get to that in a
18 moment, what was identified at that time.

19 Now, let me kind of switch here to hitting the
20 common programs or continuing, I guess, with the common
21 programs.

22 In terms of water quality, a clear comment that
23 we should coordinate and integrate other watershed programs
24 into the Common Program and not replicate.

25 We should attempt to establish a uniform data

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1 collection process involving both the protocols and
2 databases to avoid duplication. That was a comment we got
3 in general on a lot of activities but in particular on
4 water quality.

5 Now, in May of this year BDAC again looked at
6 what we had on the table and determined that the range of
7 actions was adequate for impact analysis but more detail
8 needed to be developed as we moved forward.

9 At the July meeting you may recall we were able
10 to eliminate three of the 17 alternatives and further under
11 this one indicate we didn't need to evaluate every pipeline
12 alternative but we needed to continue evaluating pipelines
13 as a substitution for open channels.

14 Also, at the last meeting BDAC indicated that
15 the distinguishing characteristics generally worked but
16 let's keep our minds open in case we see new distinguishing
17 characteristics that need to be added and they worked
18 particularly in terms of identifying the differences
19 between storage and conveyance.

20 Now, in Phase II, as you are aware, we've
21 carried a lot of concurrent evaluations, the impact
22 analysis or impact assessment, modeling these different
23 alternatives, improving the level of detail through
24 prefeasibility studies, attempting to develop an assurances
25 plan, a financial plan and then also the committees,

1 workgroups and tech teams that have been working to help us
2 add detail and make critical comments about where we are
3 headed.

4 In the past we've had questions about some
5 basic modeling assumptions. We have included in all of our
6 modeling assumptions the Bay-Delta accord implementation,
7 Bay-Delta standards as we have evaluated them are unchanged
8 across the alternatives. We have CVPIA implementation
9 including the 800,000 acre feet.

10 The flows that are required that are in our
11 draft ecosystem program are assumed in all of the
12 alternatives so we are not varying those things as we
13 evaluate the alternatives.

14 Now, what we have ended up with is we have the
15 common programs that provide some sort of framework, but I
16 guess I want to jump ahead a little bit. Even with these
17 you can't necessarily balance the solution principles.

18 You have to have the entire package before you
19 can balance the solution principles, before you can test to
20 see if we are meeting all of them but this ends up being
21 the framework into which you drop the storage and
22 conveyance options and so later today in the Agenda item
23 we'll focus on storage and conveyance and the differences
24 that they bring to these alternatives.

25 Let me make sure that we are all on the same

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1 page and we've all expressed our concerns about the common
2 programs.

3 Let me start with the levee program.

4 Basically an approach to develop a minimal
5 level for each of the islands, develop a funding strategy
6 to maintain the levees to make sure that they stay at that
7 level, reduce the levee habitat mitigation requirements so
8 it's easier to maintain the levees by reducing the problems
9 associated with ESA or other problems, implement subsidence
10 control and restoration BMP's, improve emergency response
11 and try to quantify the seismic risk in the different
12 locations in the Delta.

13 CHAIRMAN MADIGAN: Lester, I wanted to ask
14 the members of the BDAC if anybody has any questions about
15 those because that's a big deal. What Lester is going
16 through right now is where we are headed, levee system
17 integrity.

18 Alex.

19 MR. HILDEBRAND: I'd just like to clarify
20 that part of the understanding was that we would have to
21 have an emergency recovery system and then a failure and
22 this has to address not only funding but also seeing that
23 we have the equipment because the dredgers have been so
24 driven out of the Delta now that we might not have the
25 equipment we needed unless we make specific arrangements

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1 therefore.

2 EXECUTIVE DIRECTOR SNOW: That's a good
3 point.

4 The emergencies response plan isn't just money.
5 It's also stockpiling the materials and equipment necessary
6 to respond, and this is just another summarization, maybe a
7 little more concise, in terms of a base level protection,
8 special projects, subsidence control, emergency management
9 and the seismic risk assessment.

10 CHAIRMAN MADIGAN: Roberta.

11 MS. BORGONOVO: I just want to ask if
12 there has been integration of the Army Corps of Engineers
13 flood management with the levee system.

14 We had a big discussion of that a year ago and
15 I just wondered what the status of that is.

16 EXECUTIVE DIRECTOR SNOW: Well, the Corps
17 has -- you may recall when we had the presentation from the
18 Colonel, he outlined a four-phase program to respond to the
19 January flooding.

20 The first effort was the flood fight and then
21 Phase II was the -- kind of the flood recovery. Phase III
22 was getting ready for the next flood season, which we are
23 basically in, November is usually the target month, and
24 Phase IV was the long-term assessment, comprehensive
25 assessment.

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1 We are in the process of coordinating with the
2 Corps of Engineers -- when I say we, I mean CalFed -- there
3 has been an initiative on the part of the Federal
4 Government coordinated through the Council on environmental
5 quality to make sure that the response, the Corp's flood
6 response is a joint multi-Agency effort and CalFed, the
7 policy group, is used as a coordinating mechanism here in
8 the State of California.

9 And so we do intend to integrate our ecosystem
10 issues, our issues of ag land preservation into the
11 considerations of flood response in the Central Valley.

12 We may have somebody here from the Corps who
13 could provide more information on that.

14 CHAIRMAN MADIGAN: I saw Walter here
15 earlier.

16 Is Walter still here?

17 WALTER: Lester said it perfect. That's
18 fine.

19 EXECUTIVE DIRECTOR SNOW: Let's record
20 that, get that on the record.

21 CHAIRMAN MADIGAN: Come on, Walter, give
22 us a little help here.

23 EXECUTIVE DIRECTOR SNOW: Okay. On to
24 water use efficiency.

25 *Constantly refining, constantly getting*

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1 comments. It definitely consists of urban water use
2 efficiency program based on the BMP program, agricultural
3 water use efficiency program largely based on AB 3616, a
4 water recycling program to encourage water recycling, a
5 program to improve essentially managed wetlands water
6 efficiency and an implementation and impact assessment
7 effort.

8 CHAIRMAN MADIGAN: Same question applies.
9 Yeah, Martha.

10 MS. DAVIS: Does part of the water use
11 efficiency include conjunctive management of groundwater
12 resources?

13 EXECUTIVE DIRECTOR SNOW: No, actually we
14 are covering conjunctive management under the storage and
15 conveyance program.

16 MS. DAVIS: But there will be a linkage
17 between the two and put all the pieces together?

18 EXECUTIVE DIRECTOR SNOW: Oh, yes, in the
19 alternatives.

20 And along that point -- actually, that's a very
21 good question.

22 The way we've developed this program and
23 sometimes it's difficult for somebody to look at the
24 program and understand how we are changing water management
25 strategies so actually we've undertaken an effort to try to

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1 write up how water management works when you would
2 implement some of these measures and as you might expect
3 it's affected not just by what you do to storage or by
4 conveyance but it's impacted by transfers, water use
5 efficiency, the recycling that's going on.

6 So there is a lot of things that affect that
7 and we are trying to write that in a way so it makes sense
8 rather than people having to pick their way through and
9 make their own deductions about how conjunctive management
10 is related to water refuse supply, for example, and what
11 the benefits might be.

12 CHAIRMAN MADIGAN: Ann.

13 ANN NOTTHOFF: Where does land retirement
14 come in?

15 EXECUTIVE DIRECTOR SNOW: Land retirement
16 currently is in consideration of the water quality program
17 and it's in the ecosystem program in terms of land
18 conversion.

19 The only way that it's manifest in water use
20 efficiency is if it's a by-product of transfers. There is
21 no specific activity within the water use efficiency
22 program for land retirement.

23 CHAIRMAN MADIGAN: Richard.

24 MR. IZMIRIAN: You just said it, where
25 does water transfers come into this?

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1 We pretty much ran into a dead end with
2 everybody maintaining their own position on water use
3 efficiency. I don't think we ever even got a working
4 definition of efficiency. We were told that transfers
5 would solve all our problems.

6 But it looks like you have a slide already for
7 that question.

8 EXECUTIVE DIRECTOR SNOW: Well, to deal
9 with transfers -- we don't have a slide that says transfers
10 will solve all our problems because we are fresh out of
11 things that will solve all our problems. There is packages
12 of things, and I think transfers plays a role.

13 As you know, we started with transfers as part
14 of the water use efficiency program because it can provide
15 economic incentive for people to implement measures and
16 transfers is also a way for people to satisfy drought year
17 needs or other types of water supply needs without building
18 facilities and kind of represents efficient use of water so
19 that's where it's built in.

20 You may recall when we dealt with transfers we
21 ended up dealing with these five basic issues, which
22 originated from the Governor's '92 water policy address and
23 then we embellished a bit at BDAC as we passed it on to the
24 workgroup.

25 But in that regard we stipulated from a policy

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1 standpoint that transfers are important to water supply and
2 to ecosystem water supply but they have to take place on a
3 voluntary basis. They have to take place without harm to
4 environmental resources, without impacts to groundwater
5 basins.

6 They should take place only after the person
7 transferring the water has demonstrated efficient use of
8 existing supplies. You may recall the discussion at that
9 point was the general agreement that it's just not right
10 for somebody to transfer water to avoid using their
11 existing supplies efficiently and so that's a precondition
12 for transfers.

13 And the fifth point is appropriate involvement
14 of local communities and water districts and it's in this
15 one that you deal with the third party impacts and the
16 process for recognizing third party impacts.

17 And so that is part of the water use efficiency
18 program.

19 CHAIRMAN MADIGAN: Byron. Hang on.
20 Byron.

21 MR. BUCK: Lester, is it correct that the
22 only transfers that really are to be pursued under the
23 program are those for the ecosystem restoration program,
24 that you are assuming that they are part of what's needed
25 to make the other water objectives happen with individual

1 users?

2 EXECUTIVE DIRECTOR SNOW: We are assuming
3 that transfers are -- will be part of all of the water
4 supply strategies, for ecosystem or for ag and urban.

5 CHAIRMAN MADIGAN: Okay.

6 EXECUTIVE DIRECTOR SNOW: In terms of the
7 water use efficiency program, the Common Program, there
8 still is lingering comments that we get that the program is
9 not strong enough and that we need to look at other
10 measures to make it stronger and what usually comes up is
11 consideration of strengthening the conditions to receive
12 program benefits and to remind you basically the way we've
13 structured the water use efficiency program it is based on
14 two voluntary programs, the BMP program and the efficient
15 water management practices program.

16 However, if you want to receive benefits from
17 the CalFed Program, such as increased yield that may result
18 from facilities, access to transfer markets or access to
19 drought water bank you must have complied with those
20 programs. It's no longer optional at that point.

21 And so the issue has been raised should there
22 be more things on that list that must be complied with
23 before you get into the CalFed benefits and that's an issue
24 that comes up more and more frequently.

25 On to water quality, basically the approach on

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1 water quality is research, monitoring, verifying the
2 problem and the degree of the problem, feasibility
3 evaluations through pilot studies, assessment of the scale
4 of intervention that's necessary and then the commitment of
5 resources to resolve the problem.

6 The issues that have come up in terms of
7 evaluating the targets is using established criteria for
8 water quality targets, looking at the weakness of existing
9 criteria, CalFed inability to assume regulatory role.

10 That has been identified as an issue. We don't
11 have a regulatory structure -- we're kind of proactive in a
12 way of proposing programs and funding programs that will
13 solve the problems and a concern has been raised that there
14 should be more of a regulatory structure.

15 Also an issue that has been raised is kind of
16 labeled here the commitment to the action, need to assure
17 actions will be taken.

18 How do you know that if we've identified
19 remediation of mine drainage that in fact it gets
20 implemented is the assurance issue, and you can apply this
21 to any part of our program but it certainly came up in
22 water quality.

23 If you are going to commit literally tens of
24 millions of dollars to arresting the mercury problem, make
25 sure it's a real problem and don't just clean it up because

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1 you think you can reduce the number and so that's a big
2 issue and this kind of even falls into the concept of
3 adaptive management.

4 It seems like this morning you folks talked
5 about the ecosystem program so I'm not going to spend a
6 whole lot of time on it.

7 I mean, the principles of the ecosystem common
8 program was restoring natural process, making the system
9 resilient again, doing habitat restoration versus dealing
10 with a single species and basing it on adaptive management.

11 I think as you've probably already discussed
12 concerns about the ecosystem program, the lack of
13 conceptual models and the clear statement of hypotheses,
14 limited geographic scope.

15 This usually pertains to making it clear that
16 you're doing actions in the upper watershed and making it
17 clear what's going to happen in the Bay. Inadequate scale
18 of targets, we still get criticized that maybe some of the
19 numbers need to be larger to provide a greater vision.

20 This type of concern usually runs a little bit
21 at odds that people want us to improve the science that
22 goes into it. We do need to work on the science but the
23 science may not indicate you need larger targets. It may
24 indicate you need to do another action not have a larger
25 land retirement target, for example.

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1 We have a lot of scientific uncertainty that
2 needs to be recognized in the program and some comments
3 that we have incomplete implementation. And I have to
4 admit I don't have an example for that one.

5 Dick, do you?

6 MR. DANIEL: We haven't flushed out the
7 monitoring program.

8 EXECUTIVE DIRECTOR SNOW: Okay.

9 Anyway, I've tried to hurry through this in
10 terms of giving you a little bit of background on the
11 program and a very quick summary of the common programs.
12 So basically I guess the issues at this point before we
13 dive headlong into the full alternatives and where we are
14 in that process, what are the strengths and weaknesses,
15 what are some of the issues we need to be conveying to
16 CalFed that BDAC still has with some of the common programs
17 and related to that what additional information would you
18 like to see as we move into deliberation on the completed
19 alternatives?

20 With that I'll turn it back to the Chair.

21 CHAIRMAN MADIGAN: Mr. Raab.

22 MR. RAAB: Lester, just one quick point
23 here, back to the basic modeling assumption, I wondered why
24 the CCMP, the EPA sponsored conservation comprehensive
25 management plan, the five-year process that went on with

1 many of the same stakeholders and some of the same people
2 that have been active in BDAC were involved with, I'm
3 wondering why couldn't that CCMP be part of your basic
4 modeling assumptions?

5 EXECUTIVE DIRECTOR SNOW: I know we
6 considered the CCMP. That was one of our base documents
7 that we worked with back at the beginning of the program.

8 I'd probably look to Steve or somebody on the
9 modeling side.

10 I don't think a lot of the action stuff in
11 there necessarily translated into hydrologic modeling
12 parameters.

13 CHAIRMAN MADIGAN: Mr. Yaeger.

14 MR. YAEGER: Yeah, Lester is right in
15 saying that we started from the CCMP in developing our
16 objectives and developing the actions that would speak to
17 those objectives.

18 I think we did a pretty thorough review of the
19 overlap between that program and our program.

20 I don't think that we can state that we have
21 implemented in the modeling assumptions any particular
22 action of the CCMP but I think we're confident that the
23 assumptions we have adopted are consistent and don't in any
24 way interfere with the implementation of the CCMP.

25 So I think it's played a large role in what

1 we've done. I expect it will continue to.

2 EXECUTIVE DIRECTOR SNOW: Bob, is there a
3 specific parameter you are thinking of that might result in
4 a modeling assumption for us?

5 MR. RAAB: No.

6 EXECUTIVE DIRECTOR SNOW: Okay.

7 CHAIRMAN MADIGAN: Oh, yeah, Martha.

8 MS. DAVIS: Lester, I have a question for
9 you.

10 I noted on one of the slides that there is an
11 assumption that the flows required for urb are assumed in
12 all of the alternatives and if I recall from the discussion
13 this morning and some of the other things I've heard about
14 the scientific panels review of urb that there are
15 questions about the numbers that might be projected for the
16 flows that are required for urb and the need for some
17 adaptive management, some research to figure out to test
18 the assumptions about what is needed.

19 How does this get addressed?

20 EXECUTIVE DIRECTOR SNOW: It's a good
21 point.

22 If you have looked at the volume two of the
23 ecosystem program you'll note that in the beginning we
24 describe three levels of certainty with respect to actions
25 and we identify them by diamonds and if there is three

1 diamonds it indicates we pretty much know what's going on,
2 high level of scientific confidence, go and do it.

3 Two diamonds indicates that there is a pretty
4 sound hypothesis but you need to go out, test it adaptive
5 management in an adaptive management fashion and then
6 further implement.

7 One diamond indicates that it's just a theory
8 and you need to do some research and if you look then
9 within each of the eco zones where we have flows, almost
10 all of the flows, in fact, I can think of no exception to
11 this are indicated as a double diamond meaning you need to
12 set up tests to do the flow targets, test whether they work
13 or not and make a determination how far you want to go down
14 that path.

15 But what we've done for modeling purposes is we
16 have assumed meeting all of those flows. Even though they
17 are clearly queued up for an adaptive management process.

18 CHAIRMAN MADIGAN: Sunne.

19 MS. MCPEAK: Let's build on that in terms
20 of that assumption then how have you taken into account the
21 CVPIA 800,000 on that modeling?

22 EXECUTIVE DIRECTOR SNOW: That's a good
23 question and I don't know the technical answer but I think
24 there is somebody here who does but it has been a challenge
25 because as you know the draft on how to do that, how the

1 health, the 800,000 acre feet would be accommodated within
2 those flow targets as opposed to on top of?

3 I mean, I'm just trying to say conceptually.

4 EXECUTIVE DIRECTOR SNOW: Actually, I
5 believe some of our flow objectives are on top of the
6 800,000.

7 MS. MCPEAK: Well, they all should
8 be -- all of it should be additive but your flow targets
9 are -- what's stated is not the total flow needed to meet
10 habitat restoration or it's in the addition to the 800,000
11 acre feet?

12 I'm trying to clarify how your -- where the
13 water comes from is important if the 800,000 acre feet is a
14 given according to however it's finally settled out when
15 it's available, how it's counted, et cetera, but the flow
16 targets that I have -- I have been working with the
17 assumption that the flow targets that we have are what's
18 needed for the ecosystem restoration, where we get that
19 water assumes that 800,000 acre feet is coming from CVPIA
20 and we have to get additional water somewhere to meet flow
21 targets.

22 EXECUTIVE DIRECTOR SNOW: Yeah, and I'll
23 ask Dick to expand on that.

24 As the assumption shows the flows and meeting
25 the flows are the same in all -- you know, in our analysis

1 800,000 will be used, was only released last Friday but we
2 kind of set up the model on the fashion that we think we
3 are accounting for that much water.

4 CHAIRMAN MADIGAN: Steve.

5 MR. YAEGER: In general, in the modeling
6 to this stage we have made approximations of the 800,000
7 based on discussions with Fish and Wildlife and the Bureau
8 of Reclamation as to how the discussions were going on the
9 larger issue.

10 As Lester said, last Friday the detail came
11 out. We've looked at it and while we didn't hit it
12 perfectly, we are going to be making some modifications in
13 future runs to adjust to that but I think we have at least
14 captured the essence of what was released on Friday.

15 So from a relative comparison standpoint on the
16 alternatives I think we are in good shape with our modeling
17 on that issue.

18 MS. MCPEAK: Let me ask a follow-up
19 question.

20 The flow targets are based on assumptions for
21 our working hypotheses for habitat restoration, is that
22 true?

23 EXECUTIVE DIRECTOR SNOW: Yes.

24 MS. MCPEAK: If that's the case and you
25 are looking at the habitat restoration being the ecosystem

1 for all of the alternatives.

2 What changes is how you get the water and the
3 degree of difficulty of getting that water.

4 MS. MCPEAK: Right. Okay.

5 CHAIRMAN MADIGAN: Mr. Daniels.

6 MR. DANIEL: And another way of looking at
7 it and this is very important especially in light of the
8 B(2) announcement that came out, when we at CalFed looked
9 at flow, we did, as you pointed out, emphasize the kind of
10 flows necessary to maintain and restore habitats and that's
11 our focus.

12 We also looked at features in the natural
13 hydrograph that seem to be very important in terms of the
14 life history strategies of our anadromous fish in
15 particular.

16 Where there is a lack of overlap and there's a
17 great deal of overlap between what we are proposing and
18 what came out in the AFRP, the document under CVPIA and the
19 materials we saw last week relative to the 800,000, what
20 differs is in the absence of the comprehensive program that
21 we have at CalFed many of the objectives associated with
22 the CVPIA to restore anadromous fish result in the use of
23 flow to overcome problems that we think we can resolve
24 through new fish screens, through perhaps a different way
25 of conveying water through the Delta and perhaps as a

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1 result of additional storage, additional levee programs in
2 the Delta with the attendant habitat and I think that over
3 time as we implement the CalFed Program, all aspects of the
4 CalFed Program, the demand to take care of entrainment,
5 something I'm going to be talking about a little bit later,
6 there won't be as much focus on flow to get the fish safely
7 past the diversion point.

8 We'll have screens as an alternative and I
9 offer that as one example of a way of looking at things.

10 In the CVPIA plan they try to address lack of
11 habitat and entrainment in many instances with flow because
12 that's the tool that they were given.

13 We are looking at additional options that
14 include habitat, physical structures to reduce stress and
15 other ways of dealing with problems in the system. So
16 right now there is a considerable amount of overlap.

17 I think a lot of those areas that are outside
18 of the overlap over time will be addressed with more
19 effective habitat work, fish screens, et cetera, and they
20 will be brought closer together.

21 Have I confused you?

22 MS. McPEAK: I'm naturally confused.

23 But I think what I -- the follow-up question I
24 would have for you is in the ERPP in the working
25 assumptions what is the most important set of factors for

1 point that we would be looking at fish screens to overcome
2 the problem of intake, destruction where really the outflow
3 has far more importance for something such as the null
4 zone.

5 MR. DANIEL: Yes, and we have
6 distinguished fish screens as a stressor, whereas the
7 moving of water material, the introduction of nutrients we
8 have described as a process.

9 MS. McPEAK: May I ask one follow-up
10 question since Bob's now back in the room.

11 On the CMPP with respect to that modeling or
12 the recommendations do you see or are you aware of any
13 conflicts between those recommendations and the assumptions
14 that are in the core program?

15 MR. DANIEL: No, I don't.

16 MS. McPEAK: I don't either.

17 MR. DANIEL: In fact, we've met with those
18 representatives on a number of different occasions. They
19 think we've gone a long ways towards removing the
20 artificial seams between 22 programs.

21 CHAIRMAN MADIGAN: Roberta.

22 MS. BORGONOVO: I just wanted to go back
23 to a comment that Dick made which I think is very important
24 and that is that the ERPP is trying to establish these
25 essential processes and functions so I do know that there

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1 the restoration of the ecosystem and meeting the
2 targets -- target indicators for fisheries with respect to
3 outflow?

4 Do you think it is outflow for the null zone to
5 be best positioned for food and reproduction or is it to
6 simply to get the fish past intakes?

7 I mean, how have you -- what does the science
8 say to you?

9 MR. DANIEL: The science says to us that
10 first priority ought to go to these ecosystem functions and
11 processes where very often flow is the energy that moves
12 material around.

13 Included in that is the null zone because it
14 takes flow to establish that and maintain it. That's our
15 number one priority.

16 MS. McPEAK: And that's what the science
17 does say, right?

18 MR. DANIEL: The science suggests that,
19 the scientific review panel that worked with us, again,
20 emphasized that.

21 Unfortunately, there isn't a body of science
22 sufficient to document the exact numbers in all areas and
23 that's why we are into the two diamond category.

24 MS. McPEAK: Okay. I looked confused
25 because I was concerned that perhaps we were missing that

1 were comments both from the hydrologist that was on the
2 scientific review panel and from other experts from
3 different groups that have been looking at that.

4 So I am assuming that those questions about
5 hydrology will be addressed as we go forward because there
6 were questions about whether there really were the
7 sufficient flows to restore some of those alluvial
8 processes but I think the other issue that continues to --

9 CHAIRMAN MADIGAN: Did you want an answer
10 to that question?

11 MS. BORGONOVO: I see him nodding his
12 head. Yes.

13 CHAIRMAN MADIGAN: The record will
14 indicate that the defendant was nodding his head yes.

15 MS. BORGONOVO: I wanted to go back to the
16 whole modeling issue and that's a question that several of
17 us have asked Lester many times but there is this sense
18 that you absolutely have to have a modeling of the
19 water -- the inflow and the outflow and, of course, many
20 environmental groups have made the issue -- case that you
21 not only have to know that but you have to have the water
22 budget which implies that at some point you do put
23 constraints on the kind of water you take out of the
24 system.

25 So I just think that that will continue to

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1 arise and I don't know in which one of the programs it will
2 be answered.

3 I don't know if it's part of the Common Program
4 or maybe it's part of storage and conveyance or the whole
5 issue of how much efficiency there is in the system.

6 MS. McPEAK: We need Lester to respond to
7 that.

8 CHAIRMAN MADIGAN: Lester.

9 EXECUTIVE DIRECTOR SNOW: Naturally, I was
10 looking for an overhead.

11 You know, to a large extent I was looking for
12 the one that we've been using for a long time. This is the
13 new one. This is the water budget. This is what happens
14 in the Bay-Delta system.

15 This much goes to outflow and if I didn't have
16 this overlay then you'd have this much being exported, that
17 much in the Delta, that much upstream, and essentially what
18 we are going to be able to provide on these alternatives is
19 the new water budget that would be envisioned by the
20 alternative that gets implemented, how it would change wet
21 year, above normal, below normal, and so to a large extent
22 that's part of the evaluation of the alternative, how does
23 it modify the water budget against in this case existing
24 conditions and so if there is something other than that
25 that's implied by the term water budget, then obviously we

1 MR. RAAB: That says you have to have say
2 an average 16,000,000 acre feet over a period each year for
3 ten years.

4 MS. McPEAK: I want to try to answer and
5 ask Lester to comment if I'm off. Okay?

6 EXECUTIVE DIRECTOR SNOW: Okay.

7 MS. McPEAK: The answer is that's exactly
8 what this whole program is about. There's several factors
9 that would look at -- that impact the ecosystem of the
10 estuary. Outflow is one of those and in theory that's what
11 those targets for outflow are about.

12 The targets for outflow -- in the modeling the
13 targets for outflow are greater than what is happening in
14 dry years and in some normal years and it is somewhat less
15 than what is happening in wet and very wet years.

16 MR. RAAB: Are you talking about what
17 has -- the history?

18 MS. McPEAK: No. No. I am talking about
19 what is the working assumption in those targets for
20 outflows.

21 Because I heard your question being are we
22 going to come up with what is required on an annual or
23 average, say, ten-year period and it's my understanding
24 that that's an imperative within the CalFed Program, the
25 outflow targets that are in these working assumptions are

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1 can get into more detail but basically when we look at how
2 we are changing the, you know, hydraulic configuration or
3 hydrologic configuration and how we would be changing the
4 annual hydrograph is part of what our evaluation is.

5 CHAIRMAN MADIGAN: I have Bob Raab and
6 then Alex.

7 MR. RAAB: In that chart of the future the
8 water budget will -- it will show the outflow, which to me
9 means water flowing into San Francisco Bay.

10 There is a premise there or maybe there is an
11 unanswered assumption there, how much water should be
12 flowing into the Bay to maintain a healthy system?

13 I understand that you can't have the same water
14 flow every year but I am thinking over say a ten-year
15 period would you have some baseline flow, outflow, into the
16 Bay?

17 Is that something -- is that something you are
18 going to target, look at?

19 CHAIRMAN MADIGAN: Sunne.

20 MS. McPEAK: Put that back up again if you
21 can.

22 MR. RAAB: I mean something based on --

23 MS. McPEAK: On science.

24 MR. RAAB: -- on a science.

25 MS. McPEAK: Yes.

1 based on the science as we know them.

2 They may be off but that's why we would take an
3 adaptive management approach and the so-called water budget
4 would end up with outflow greater than what's happening now
5 today in dry years, certainly, probably more than what is
6 happening at certain times during normal years because of
7 the constraints of the system and somewhat less than what
8 is available in wet years.

9 Would you comment on my --

10 EXECUTIVE DIRECTOR SNOW: Yeah, that's a
11 fair way to say it.

12 I guess what I want to distinguish here is the
13 difference between science and consensus among scientists,
14 which are two very different things.

15 MS. McPEAK: We are trying to discover
16 science.

17 EXECUTIVE DIRECTOR SNOW: Yeah, we are
18 trying to move on sound, scientific information, but when
19 we are talking about changing a hydrograph by basically a
20 line thinner than you can draw on a chart like this there
21 is no absolute science answer that you know what the
22 impacts of that are so small in the system that what you
23 try to do is get some consensus among scientists.

24 I mean, that's actually the process that led to
25 the x2 requirement that we operate under now in the system,

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1 as much agreement as possible.

2 So I agree with what Sunne is saying. We are
3 trying to -- you know, these are the peaks and so it's not
4 just the total flow into the Bay that's important.

5 If you cut all this off and you have uniform
6 steady flow, that would be disastrous for the Bay and so
7 you have to look at natural processes and maintain peaks as
8 well as total volume and so that's what we are trying to
9 incorporate into some of these strategies, is be able to
10 maintain these peak high flows which serve a purpose of
11 stratification in South Bay, for example, but still be able
12 to end up with something like this where you are using some
13 of these higher flows to deal with both water supply and
14 environmental flows in the lower periods.

15 MS. McPEAK: Comment back on what we
16 haven't seen, Bob, in your question.

17 Where are we off?

18 MR. RAAB: It sounds good.

19 But I have no recollection of ever seeing this
20 stated explicitly in the ERPP or other places.

21 I must have missed something because I don't
22 recall seeing anywhere that there is a target that is a
23 baseline flow to come, a baseline flow to come or inflow
24 into San Francisco Bay that will be strongly guaranteed or
25 assured.

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1 EXECUTIVE DIRECTOR SNOW: Well, I don't
2 think we have that in that fashion.

3 I mean, we have outflow in both the base -- or
4 existing conditions as well as the no action alternative
5 and then everything in the alternatives that change that
6 would be compared to that and so you can see the changes
7 that are made, both in terms of, for example, higher
8 critical time flows and then lower peak flows.

9 MR. RAAB: But there will be a baseline
10 for whatever peak or valley flow -- there will be -- I
11 don't know what the right word is -- attempt, an effort or
12 there will be -- whether it's a dry year, normal year, you
13 will meet a certain baseline criteria?

14 EXECUTIVE DIRECTOR SNOW: We haven't set
15 up a regulatory requirement.

16 There is a baseline that all of this will be
17 compared to, but in terms of having established an absolute
18 number and an absolute year type that is embodied in the
19 existing standards that are being applied to all model
20 runs.

21 MR. YAEGER: In fact -- Bob, be a little
22 more specific.

23 In our modeling runs we have looked at the
24 effect of each one of the alternatives on the number of x2
25 days and you'll find that in your packet under the brackets

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1 water habitat.

2 I think you'll see there that there is very
3 little change in the number of x2 days which is kind of a
4 critical parameter to look at when you're evaluating the
5 impacts of the alternatives not only on the Delta but also
6 the Bay.

7 We haven't yet done these studies but we will
8 be doing studies in the future looking at the impact of the
9 alternatives on stratification in the Bay, on mixing in
10 San Pablo Bay, those kinds of issues.

11 So we are going to be looking at it to the
12 extent that our modeling allows us to do that and
13 displaying the results but we don't expect that there will
14 be any large impacts on either of those factors either
15 because as you can see from the hydrograph we are skimming
16 off a very small percentage of these large, large flood
17 flows that are moving through the Delta and into the Bay.

18 CHAIRMAN MADIGAN: Okay.

19 I have Alex, Byron, Roberta and Steve.

20 Alex.

21 MR. HILDEBRAND: I'm not quite clear on
22 how we are handling the change with time of inflow versus
23 outflow and exports.

24 At any given moment we have -- the outflow is
25 the inflow minus the exports and the consumption within the

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1 Delta which is pretty constant at the moment, although we
2 are talking about increasing that by changing from ag to
3 wetlands.

4 Now, over time we anticipate that the inflow is
5 going to continue to decline as it has in recent decades.

6 The increase in consumptive use to grow food,
7 the shift of population into the Valley from other places,
8 and the increase in exports from the Tuolumne to the Bay
9 Area are all going to decrease the inflow.

10 At the same time we know that the Metropolitan
11 Water District, for example, is banking on getting 400,000
12 acre feet more water to the south as an export from the
13 Delta via transfers.

14 Other districts also plan cumulatively some
15 comparable amount so the exports presumably increase even
16 by virtue of transfers and the inflow is going to continue
17 to decrease.

18 Our program is supposed to have a shelf life
19 that's not really defined, I guess, but presumably at least
20 to 2025 and by that time these numbers are going to shift
21 quite a bit so if we have a fixed outflow, what are we
22 going to do about these changes?

23 EXECUTIVE DIRECTOR SNOW: Well, where do I
24 start?

25 I'm not sure I'm tracking all the numbers that

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1 you are throwing out, Alex, in terms of Metropolitan's
2 demand on the system and how much transfers that they are
3 after.

4 I mean, what we are trying to do is come up
5 with a balance to the system, how much water supply is
6 available, how much transfer opportunity is available, and
7 the way we are approaching this that will be what it is and
8 what the requirements are.

9 I'm having a hard time being responsive to your
10 specific question.

11 MR. HILDEBRAND: Well, are you -- in
12 making these analyses are you looking at present figures or
13 2025 figures?

14 And if you look at 2025 figures, how are you
15 accounting for the probable decrease in inflow with the
16 given hydrology and the probable increase in exports,
17 whether you've read, as I have, the 400,000 figure isn't
18 particularly germane. It's just an example.

19 MR. YAEGER: Alex, in our no action
20 alternative which is the baseline against which we measure
21 all of our alternatives that includes this development and
22 demand to year 2020 so we are looking at all these factors
23 that you talked about and you'll see, I think, when Mark
24 makes his presentation a little later on storage and
25 conveyance that, yes, there is a decrease over existing

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1 conditions as far as the amount of export water available,
2 assuming that you maintain the same Bay-Delta standards.

3 But you'll also see in Mark's presentation that
4 there is a significant contribution that can be made from
5 shifting the water, as Lester has indicated on his graph,
6 from those high peak flood flows into the critical periods,
7 dry and critical periods, and you can in fact produce
8 additional water in those periods for both environmental
9 uses and for ag and urban uses.

10 MR. HILDEBRAND: Are you saying then that
11 the proposed yield of the proposed new storage facilities
12 will offset these declines and increase in exports?

13 MS. McPEAK: Yes.

14 MR. HILDEBRAND: Has that direct
15 assessment been made, the yield you are proposing will
16 indeed cover these changes in inflow and export?

17 EXECUTIVE DIRECTOR SNOW: That changes
18 widely with the alternative that you would select.

19 MR. HILDEBRAND: Well, in looking at the
20 alternatives will you define for us the extent to which
21 that is true or isn't true with a given proposal?

22 MR. YAEGER: We can do that. We haven't,
23 I don't think, done that on a graphic for today but we can
24 do that for you.

25 But, as Lester said, it varies pretty

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1 dramatically by alternative. Essentially those that have
2 more storage can offset and add some additional supplies.

3 Those without storage go a little way towards
4 offsetting but perhaps don't offset the whole amount.

5 MR. HILDEBRAND: Well, I think we ought to
6 have some quantitative indication of the extent to which
7 the proposed new storage would indeed offset these things.

8 EXECUTIVE DIRECTOR SNOW: Well, one of the
9 distinguishing characteristics is the quantification of the
10 supply opportunity that shows the variance between the
11 alternatives.

12 CHAIRMAN MADIGAN: All right. Byron.

13 MR. BUCK: Yeah, I wanted to switch to
14 another Common Program since Lester is asking for comments
15 on all of them at this point and that's the water use
16 efficiency program, which is really designed to assure
17 efficiency use.

18 CUWA and the Environmental Water Caucus has
19 been working on the urban portion of that in trying to
20 provide some detail on how actually we provide assurance
21 that urban BMP's are being done and there is an issue
22 that's developing some real distinction between the group
23 and that is on CalFed's proposal for water base sanctions.

24 That is, for those that wouldn't be
25 implementing the BMP's you wouldn't be able to get

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1 transfers out of the system, any new water or access to the
2 Delta water bank and the urbans find that to be a problem
3 and we don't think that's an effective way to have an
4 assurance.

5 Because it only affects those that are looking
6 for new water out of the system and we believe conservation
7 is really appropriate for everybody that is in the system
8 now to the extent that you can find cost effective
9 conservation it ought to be being done wherever it is
10 indeed cost effective and we prefer more of an
11 administrative structural approach to it where there is an
12 assurance, there is a certification, there are people
13 subject to being called on the carpet and fined if they are
14 not implementing the BMP's but rather you don't go to a
15 water based sanction automatically which wouldn't even
16 catch people who didn't need new water out of the system.

17 So we think everybody again ought to be
18 implementing the BMP's if they are cost effective and that
19 there are real administrative problems with the water based
20 sanction approach when you may have a subretailer three or
21 four tiers down the line from somebody, a wholesaler that's
22 actually getting a transfer, it's administratively very
23 difficult to actually get to the source of the violation
24 and the source of the retail Agency that isn't doing BMP's.

25 We feel the structure is appropriate that gets

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1 right to the retail level and certifies retail
2 implementation of BMP and to the extent there are wholesale
3 BMP's, wholesalers as well and makes everyone do it if they
4 are connected to the Bay-Delta system whether they need new
5 water or not. And that issue is under discussion with the
6 CUWA caucus.

7 It will come back in some form, either resolved
8 or with two different positions.

9 CHAIRMAN MADIGAN: That makes sense.

10 All right. Good.

11 Roberta.

12 MS. BORGONOVO: Well, I was going to
13 comment on the hydrograph but I guess instead I'll comment
14 on water use efficiency.

15 We've been in discussions with CUWA for more
16 than a year and we thought we were moving forward together
17 very well and we thought we had all agreed that water based
18 sanctions would be there.

19 We understood the problem of the wholesalers
20 because the BMP's are implemented on the retail level but
21 it's very clear that without wholesale involvement and
22 support of BMP's you don't get nearly the water
23 conservation and it is the water wholesalers that are to a
24 large extent the big players when it comes to demand.

25 So I would hope that we'll be able to have a

1 CHAIRMAN MADIGAN: Steve.

2 MR. HALL: Well, I, too, was going on
3 comment on something else.

4 Now I'm going to talk about water conservation
5 but I'd really like to hear what Lester was going to say on
6 the subject.

7 EXECUTIVE DIRECTOR SNOW: Well, I was
8 going to frame this --

9 MR. HALL: By the way, I reserve some time
10 when he's done. Thank you.

11 EXECUTIVE DIRECTOR SNOW: I was going to
12 frame this issue in the context of where we are and where
13 we could go.

14 We clearly in our draft program have
15 established the premise that if you want CalFed benefits
16 and we typically have described those as getting access to
17 any yield that would result from the program or access to a
18 water market then you have to have implemented those
19 measures and we established that very clearly and it's even
20 related to the transfer policy established by the Governor.

21 We haven't taken the next step, which is
22 exactly what happens. It sounds like the urban folks are
23 reacting that the implication of that policy is you may not
24 enter into that transfer, and we haven't defined that.

25 A potential outcome, though, as we get into

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1 meeting that we have scheduled on Monday go forward and not
2 have what I'm afraid we are going to see as backsliding
3 simply because we were trying to address it in a way that
4 would allow wholesalers who might have retail agencies that
5 were not fully complying a way so that they wouldn't be
6 penalized but nevertheless those water based sanctions we
7 think are very important and right now they are the only
8 kind of real mechanism there for moving things forward.

9 I mean, there are a lot of sticks out there.

10 CalFed has said that they'll have technical
11 help and they'll have financial help but there's been
12 pretty much agreement so far that you need both sticks and
13 carrots and that is one of the sticks.

14 CHAIRMAN MADIGAN: Okay. Byron.

15 MR. BUCK: I didn't mean to indicate that
16 there is no wholesaler commitment to BMP's. We need to
17 have one and we need to figure out what that's going to be.

18 The issue is what's the appropriate sanction
19 for not implementing BMP's and how do you apply it? To
20 whom do you apply it to?

21 CHAIRMAN MADIGAN: Okay.

22 MS. McPEAK: Are you still meeting on
23 Monday?

24 MR. BUCK: Yes. This was just heads up.

25 It's not...

1 implementation issues could be that you can go ahead and
2 enter into that transfer but it costs you a thousand
3 dollars an acre foot into a conservation fund or \$2,000 an
4 acre foot or maybe ten (inaudible).

5 EXECUTIVE DIRECTOR SNOW: So I think this
6 issue, I'm glad to hear that there is a further discussion
7 going on on Monday but we probably will have to get to the
8 implementation side of this.

9 I think it's extremely important that if people
10 are going to enjoy CalFed benefits that it's clear that
11 they must do certain things to kind of carry their side of
12 the load on this.

13 CHAIRMAN MADIGAN: Did you want to ask
14 your question now?

15 MR. HALL: Well, like everybody else I'm
16 really going to make a statement.

17 CHAIRMAN MADIGAN: That's the typical
18 question around here, sure.

19 MR. HALL: On the issue of water
20 conservation the ag urban group discussed this at some
21 length recently.

22 Byron knows far more about this than I do but
23 my sense of the discussion is there is a fairly strong
24 feeling that water conservation has to be a central element
25 to this.

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1 However, there are a lot of existing regulatory
2 sticks laying around from waste and unreasonable use in the
3 Constitution to what Lester is now describing as in order
4 to receive CalFed benefits you've got to comply with the
5 water conservation elements in CalFed and the difficulty
6 for Water Agencies who are public agencies by and large is
7 that they are giving up in a negotiated process where they
8 are negotiating with parties that have no particular vested
9 interest in this resource which is precious and expensive,
10 no particular vested interest in how that resource is
11 allocated for the benefit of these public agency customers
12 and for them to say, sure, we'll give up some water if we
13 don't dot every i and cross every t is to them an
14 unreasonable thing to ask.

15 What CalFed needs to do in my view and I think
16 I am speaking for others as well is adopt a reasonable
17 conservation program, a set of goals in a program which is
18 sort of baseline which you've got to meet and then those
19 who comply receive the benefits and those who don't.

20 Now, CUWA has chosen to go further and say
21 everybody who delivers urban water ought to meet a certain
22 conservation standard which I think is an admirable
23 position for them to take but I think to say that Water
24 Agencies who might receive a direct or indirect benefit
25 from CalFed have to negotiate with other parties who then

1 but I've got to admit it's effective -- and that is you
2 don't play you don't get any benefits.

3 Now, having said that there is a lot of debate
4 that will probably continue on about what the program looks
5 like but to me to set the standard even higher than that is
6 not reasonable and I think you are going to find that most
7 of the Water Agencies in California would agree. They are
8 not going to have their water supply held hostage to this.

9 EXECUTIVE DIRECTOR SNOW: So to clarify
10 exactly where CalFed is today in terms of the draft Common
11 Program that's in these alternatives, in terms of ag urban
12 we have picked up the two existing processes, the BMP
13 process and the MOU with that for urban, on the ag side,
14 AB 3616 and basically we have pulled those in as they
15 exist, which are largely voluntary processes. I mean,
16 there is a Council and a certification and that sort of
17 thing.

18 What we have added to it, though, is that for
19 you to get the CalFed benefits it's not voluntary any
20 longer.

21 You must show that you have complied and have
22 implemented the cost effective measures. So that's what's
23 on the table at this point.

24 CHAIRMAN MADIGAN: Roberta, do you want to
25 add anything to that?

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1 judge whether or not they've met the standard and if they
2 don't, their customers lose a reliable water supply is to
3 me not a reasonable proposition and something I could not
4 possibly recommend to them.

5 MS. McPEAK: Is that what is being
6 proposed?

7 MR. HALL: It is what is being proposed,
8 yes.

9 CHAIRMAN MADIGAN: Lester.

10 EXECUTIVE DIRECTOR SNOW: Steve --

11 MR. HALL: Yes, Les.

12 EXECUTIVE DIRECTOR SNOW: I couldn't tell.

13 Were you saying that you thought that CalFed
14 was designing that kind of program that you don't like?

15 MR. HALL: No, I hope you're not.

16 I think that is what is being proposed in the
17 form of water sanctions, that if you don't meet the
18 standard that we have negotiated for you, you'll lose some
19 of your water supply through your customers.

20 What I'm arguing for is that CalFed not adopt
21 that as a standard that must be met because it isn't the
22 reason standard.

23 The price is too high. There are other
24 regulatory sticks that you can pick up and, Lester, you
25 probably designed the best one. I don't like it very much,

1 MS. BORGONOVO: I guess it was a week ago
2 when I saw Tim Quinn down at the power conference that he
3 first used this term you are affecting our water rights and
4 I was really surprised by that because the water right is
5 the water you have.

6 We have not -- we've agreed a long time ago
7 that it's very difficult to get at people's water rights.

8 Many districts don't have the water rights.
9 They have contract rights but what we are talking about is
10 something that is over and above the water you have and
11 that's access to the drought water bank, the transfers, and
12 new water supply.

13 I find that very surprising that the term would
14 be used you are affecting our water supply.

15 But I want to tell you that I have been in
16 many, many different arenas talking about water
17 conservation and the public is way out ahead of management.

18 The public does believe in conserving water and
19 they especially believe in conserving water if they think
20 it will benefit the environment.

21 So I'm really surprised that it's being
22 characterized in this fashion because that hasn't been
23 what's been under discussion and it certainly hasn't been
24 the character of the discussions between CUWA and EWC.

25 I also went to three different workshops when

1 we just revised our BMP's, and I was in Southern
2 California, I was in the Valley and I was in Northern
3 California and this was laid out and it was not really with
4 surprise.

5 I mean, I think the public in California
6 believes that water is a scarce resource and must be used
7 efficiently to benefit all of us.

8 CHAIRMAN MADIGAN: Steve.

9 MR. HALL: I agree.

10 People think conservation is important. Poll
11 after poll, however, show they're not willing to invest
12 large sums of money -- of their own money or alter their
13 lifestyles to accomplish it and so there is a strict limit
14 to their demand for water conservation.

15 The point here is not about the ethic of
16 conservation. I think we've all embraced that. That
17 battle has been fought and won on the side of conservation.

18 I want to go back to a point that Bob Raab
19 made, which I think is very important, and that is what are
20 we really after here and I think Sunne answered it well.

21 We are talking about shifting diversions from
22 when it is dry to when it is wet, and we are going to
23 invest a very, very large sum of money to first,
24 rehabilitate the ecosystem and second, provide facilities
25 necessary to do that.

1 In return the Water Agencies who are charged
2 with the responsibility for delivering the public's water
3 need to be able to assure those customers that their water
4 supply is going to be reliable. Today it is not. It is
5 subject to the whims of nature and how salmon behave in the
6 ecosystem.

7 We've all agreed we need to protect the salmon.

8 The question is how are we going to do it?

9 We can do it by redirecting impacts from the
10 salmon to our economy and our lifestyle or we can invest a
11 lot of money, which we are preparing to do so that we don't
12 have to redirect those impacts, that we can have both a
13 reliable supply and we can restore, at least rehabilitate
14 the ecosystem. But that's the quid pro quo.

15 That is the deal, that in return we are not
16 going to have the bar set even higher than receiving the
17 benefits of CalFed.

18 We are going to be able to assure our customers
19 that if we comply with these voluntary programs to conserve
20 water, undertake reasonable efforts to do it, then we will
21 receive the benefits of CalFed, which bottom line reliable
22 water supply, hopefully at an affordable cost.

23 So to say that because you are not going after
24 their existing supplies you are not going after the
25 reliability is not true. It's not reliable today.

1 We are seeking to make it reliable and we are
2 investing a lot of time and money to do it and to say then
3 at the end, by the way, we've now set another standard.

4 You also have to do this further thing in order
5 to remake your water supplies reliable is to us not a
6 reasonable proposition.

7 CHAIRMAN MADIGAN: Roberta.

8 MS. BORGONOVO: I want to go back to again
9 what Bob Raab pointed out and that is he asked what will
10 happen to --

11 CHAIRMAN MADIGAN: You must have been
12 rather Delphic about this, Bob, because they are both using
13 you as --

14 MS. BORGONOVO: Yes, that's right.

15 MR. RAAB: I'm unstinting in my gratitude.

16 CHAIRMAN MADIGAN: Well, there we are.

17 (Laughter)

18 MS. BORGONOVO: I think Bob asked the
19 question, what will happen to the hydrograph over the long
20 term if there continue to be demands on it and people who
21 believe in conservation believe that one way to get
22 reliability is to lessen your demand through conservation.

23 The conservation practices in the urban sector
24 are based on the cost benefit analysis and so it is always
25 amazing to people how much agencies are willing to invest

1 in supply side and they seem to have no confidence in the
2 demand side even though the water use in Southern
3 California fell by about 500,000 acre feet after the
4 drought. That is a huge amount of water but no one wants
5 to rely on that.

6 This is a very important difference in our
7 approach, but I can't see that we are wrong in our approach
8 in saying that if over the long term you don't try to use
9 what you have more wisely you will not be able to save the
10 ecosystem in the long term and that is the name of the
11 game.

12 It isn't how much money comes into the
13 ecosystem for restoration, it's whether the ecosystem gets
14 restored and I think we are all here really listening to
15 the reliability issue. We are not discounting that.

16 Because we are all part of the ecosystem, too.
17 We all rely on the water supplies of our own water Agency,
18 but I find this whole characterization very discouraging
19 because it's very clear that there is strong public support
20 for the Common Program of water conservation and recycling.

21 MR. HALL: I'm done. I made my point.

22 CHAIRMAN MADIGAN: Okay. I enjoyed that
23 thoroughly.

24 Thank you.

25 David.

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MR. GUY: I guess we'd add to the comment that Steve has made.

Our focus and I guess our concerns from the outset in this process have been, of course, the reallocation of ag water and the conversion of ag land that are clearly part of the common programs and in our view that goes directly to the heart of the no redirected impacts.

And, Lester, I know you're telling us to kind of hold off on the solution principles and let's apply them when we see the whole package and I think, you know, we'll give you the benefit of the doubt say on the water side of things but with respect to ag land conversion when you look at the whole package of what we will ultimately see, there is nothing in there that will change the ag land conversion component which strongly suggests to us that there has been a strong decision made that, yes, we are going to convert agricultural land as part of this process and in our view that's a significant redirected impact and it's bad public policy.

So I guess the question that comes out of this is how are we not supposed to be concerned about ag land conversion?

We can talk about water reallocation in another forum because there's clearly some issues that will have to

have identified what we would consider to be the high side impact.

The issue that has been raised about this, though, has indicated to us as you move forward with the implementation strategy there needs to be an effort to avoid particularly prime and unique ag lands as you go through an implementation process.

It's unlikely that even with an effort like that you would completely avoid impact on prime and unique ag lands and so you have to come up with a mitigation strategy.

So there is not a decision to retire ag land per se but the by-product of some of our actions is an impact on ag land and some of that ag land is prime and unique ag land and we have to deal with that.

MR. GUY: Well, then isn't -- haven't we already then made the decision that, yes, we are going to redirect impacts?

I mean, there is nothing left that's going to avoid that, is there, in any of the other programs?

EXECUTIVE DIRECTOR SNOW: well --

MR. GUY: It's not too early to apply the solution principles in this case, is it?

EXECUTIVE DIRECTOR SNOW: I think you have to apply the solution principles to the entire alternative.

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be discussed on that but there is nothing left in ag land conversion.

There is nothing you can do to address that issue in any of your other programs so is that a CalFed policy decision that, yes, we are going to convert ag land to other uses as part of this program?

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: No, it's not a decision to convert ag land.

What we have identified in the impact assessment though as a product of some of the actions that we're taking can be ag land conversion and the two largest areas that we have in the program that can have that impact is, first, the water quality program where we have identified as dealing with the salinity problems the potential of retiring as much as I believe 90,000 acres -- somebody correct me if I'm mistaken -- but I think that's what's identified as the high side impact.

That's not inconsistent with other work that has been done as you probably know in the Valley.

The other area that gets into ag land impacts or ag land conversion as an impact is the ecosystem program where we have targeted certain kinds of habitat that generally when you look for lands that would be appropriate for that kind of habitat, there is ag land there and so we

You have to make a judgment has, you know, agriculture in California been treated equitably in the process and what we want to get into this afternoon is looking at the entire alternatives and what happens as a result of those.

And in the case of ag land where, you know, you have no choice, if you are going to do a setback levee, you will retire some ag land, then you simply have to deal with that and come up with a mitigation strategy, a compensation strategy to deal with it.

If the standard on redirected impacts is you can have no impact, then there are no alternatives that will fit that requirement.

CHAIRMAN MADIGAN: Sunne.

MS. MCPEAK: David, let me ask you a couple follow-up questions.

I've not understood that the Farm Bureau was opposed to the retirement of the land that has a lot of selenium, magnesium contamination.

Is that an accurate understanding?

MR. GUY: Yeah. No, I think it's recognized that there are going to be some cases, whether it be some of the hot spots, and there is going to be some land that's going to be taken out for facilities, if that's part of the mix.

Clearly that, I think, is understandable. It's

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1 when you start getting into those fringe areas of taking ag
2 land out of conversion is when I think you start raising
3 some issues.

4 MS. McPEAK: Okay. Let me ask the next
5 question.

6 What I just heard Lester discuss as to the say
7 setbacks and land that might be impacted has still been
8 discussed in all of the deliberations to date as a
9 voluntary selling or -- well, selling either land or
10 rights, easements, by the landowner.

11 Is that not true?

12 MR. GUY: Correct. As a practical matter,
13 though, I mean, you can't have levee setbacks and expect a
14 voluntary program. I mean, that's unrealistic.

15 So I think you have to -- you know, when
16 realism kicks into this you are going to be talking about a
17 program that will take ag land out of production. You
18 can't have one person on a levee, you know, sell out and
19 his neighbor not. It just doesn't work that way so . . .

20 MS. McPEAK: Correct. Okay. Okay.

21 Do you think that there is a lot of -- there
22 are some, well, willing sellers that we're likely to get
23 the cooperation of farmers on this restoration program?

24 MR. GUY: Well, I'm sure. I mean, there
25 always will be.

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1 MS. McPEAK: I mean, I guess I'm asking a
2 rhetorical question but my experience is that the farmers
3 are actually probably, you know, pretty smart about all of
4 this stuff, will understand it and we'll get a lot of
5 cooperation.

6 And so still recognizing the problem you said
7 you can't have one landowner and a setback on the next one
8 and so there might be some give and take.

9 So those are the two situations I am currently
10 aware of that might impact ag land, selenium contamination,
11 the habitat restoration where there are setbacks.

12 Are there right now some additional setbacks on
13 ag that you see that we haven't thoroughly addressed?

14 MR. GUY: Well, you mentioned -- I think
15 there is the levee setback and the habitat restoration.

16 I think those are two separate issues and the
17 habitat restoration is pretty obtuse at this point, but
18 clearly I think that has some concerns and Alex has some
19 ideas on that because, as I understand it, most of that's
20 going to be in the Delta and to a certain extent on the
21 Sacramento River.

22 CHAIRMAN MADIGAN: All right. Thank you.
23 I have Stu and then Alex.

24 MR. PYLE: I wanted to go back to the two
25 earlier questions you were discussing, the first one about

1 water use efficiency and the other one about the balancing
2 of water supplies, demands out of the Delta.

3 And we generally support what Lester is saying
4 about water use efficiency.

5 I think the written statement in the CalFed
6 material is very good, and we understand the requirement
7 that you were just discussing for compliance with water use
8 efficiency measures in order to gain the benefits of the
9 CalFed Program.

10 We don't see any way to get around that so we
11 think we surely support that, but I do want to say very
12 sincerely that there is a strong feeling of responsibility
13 in the organizations I am involved with, Kern County Water
14 Agency, Southern California Water Committee to support and
15 do all they can for water use efficiency.

16 Those are programs that people really get
17 behind and I think we all support them here and we support
18 the CalFed position that they should be locally directed
19 and should be managed on an incentive basis and not on a
20 mandatory basis.

21 But when we hear people call for more stringent
22 mandatory requirements which we understand to be
23 legislative or more severe administrative requirements we
24 do not think those should be in the program. We think the
25 program is okay the way it's now stated.

1 In regard to the balancing of water from the
2 Delta, again, Bob Raab's feeling that his flow is going to
3 somehow be stunted in the Delta that he's in the same
4 position that those of us who depend on the Delta for an
5 export water supply are, that I don't think you are going
6 to get a numerical evaluation of what the water supply
7 that's going to be there for flow into the Bay any more
8 than we are going to get a numerical result from this as to
9 what the export water supply is going to be and again we
10 are going to have to depend on this balancing of the
11 programs year-by-year amongst each of these activities.

12 So again in the same degree as we don't want to
13 see mandatory requirements for water use efficiency, we
14 don't think that there is a -- anything to be served by
15 calling for some type of specific numerical amount of water
16 that's to flow out of the Bay.

17 When you look at the items that are controlling
18 the flow of fresh water from the river system through the
19 Delta into the Bay is the x2, the whole system of the
20 accord, the D-1485 requirements and so on and so forth, the
21 requirements are there, the operational standards are
22 there, and it's just that all of those things have to
23 function together and I don't think we are going to see a
24 numerical number that anybody can pin their hopes on and
25 say this is it any more than the State water contractors

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1 can say we are going to get 4.2 million acre feet of water
2 every year.

3 CHAIRMAN MADIGAN: Alex.

4 MR. HILDEBRAND: First a comment, then a
5 question.

6 This willing seller thing is grossly overdone.
7 You might have willing sellers for setback levee because
8 you've got a couple guys that whose kids have gone
9 somewhere else and they are ready to retire but setting
10 back that levee may change the failure risk for the entire
11 district.

12 It affects other people and this is pretty
13 generally the case and we have all received think a copy of
14 a document DWR put out in about '95, I think it was, about
15 water transfers and one of the conclusions at the end of
16 that was that there is no way that a willing seller and a
17 willing buyer can get together and make a deal that doesn't
18 affect third parties.

19 And the same is true on these land sales.
20 They're going to affect third parties and that leads to my
21 question.

22 Lester, you spoke about mitigating the effect
23 of these land acquisitions.

24 How are you going to mitigate them?

25 EXECUTIVE DIRECTOR SNOW: Well, I mean,

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1 the short answer is I don't know. You won't know how to
2 mitigate a specific acquisition until you look at the
3 specifics of it.

4 There can be some land acquisitions that have
5 absolutely no third party impacts associated with them or
6 you can have a single seller of an entire island, which is
7 the case in some small places in the Delta and you can look
8 at third party impacts and there may not be any.

9 You can have other situations --

10 MR. HILDEBRAND: Well, that would have
11 third party impacts, Lester.

12 EXECUTIVE DIRECTOR SNOW: Well, I guess
13 the point is, Alex, it may or may not depending on how you
14 analyze it and so there is no universal answer to that
15 other than to say that you have to assess those impacts on
16 each specific project as you move forward.

17 MR. HILDEBRAND: But if the impacts are
18 going to occur -- I agree that there will be some times
19 when they wouldn't -- but if they are going to occur, I
20 don't know how you mitigate them.

21 EXECUTIVE DIRECTOR SNOW: Well, it would
22 simply depend on the nature of the impact how you would
23 proceed to deal with it so I mean, I don't have a pat
24 answer to that that would fit every situation.

25 But clearly if we are going to make changes

1 beneficial we've got to be willing to go forward, identify
2 the impacts and be able to mitigate or respond to the
3 impacts associated with it.

4 MR. HILDEBRAND: Well, I guess my problem
5 is that we seem to be assuming that we're going to be able
6 to acquire large quantities of land without impacts that
7 will cause us to back away from it and I agree with you.

8 You have to do it on a site-by-site basis but
9 until do you that I don't think you can prejudge that you
10 are going to be able to make big an acquisition.

11 EXECUTIVE DIRECTOR SNOW: Well, in order
12 to do an impact assessment you've got to be able to make
13 some judgments about it and this issue doesn't just apply
14 to ecosystem.

15 That seems to be the focus, that somehow land
16 conversion for ecosystem purposes is kind of a not worthy
17 thing.

18 However, if we want to acquire a valley for a
19 new reservoir for water supply, that's good and we'll be
20 able to work our way through the impacts of that.

21 They're both the same kinds of land acquisition
22 for the purposes of fixing the Bay-Delta system and we have
23 to be able to work our way through the problems associated
24 with that.

25 CHAIRMAN MADIGAN: All right. I have two

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1 requests for speakers from the audience.

2 The first is Ronnie Cohen from NRDC -- I'm
3 sorry, Mr. Spear, excuse me.

4 MR. SPEAR: I'm sorry, with some
5 hesitation I bring this up because I don't know what we are
6 going to start but the principle you established under
7 water use efficiency that there would be some mechanism
8 that entities would not be able to get the benefits of
9 CalFed process if they didn't meet certain standards I read
10 in the water quality something -- going through the
11 documents -- and I don't know if it's as clear as that and
12 I wanted to ask the question just so we can get it out on
13 the table, are we following that same principle in the
14 water quality component?

15 There is a slight reference but it's fuzzy.

16 EXECUTIVE DIRECTOR SNOW: I am not aware
17 of something that's quite that parallel. I don't know.

18 Rick Woodard.

19 The question was are there any -- the standard
20 we have for getting CalFed benefits you have to have
21 implemented water efficiency measures.

22 Do we have anything that's parallel to that
23 currently in the water quality program where you have to
24 have done certain water quality measures if you're going to
25 get the CalFed benefits?

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1 MR. WOODARD: I don't think we've
2 identified anything that's quite that ready.

3 MR. SPEAR: Let me read something, Lester,
4 here.

5 It was underlined in the water quality paper,
6 page 2, it says "would establish a protocol for addressing
7 the problems and this protocol would be binding on the
8 CalFed process" and so that's really what I'm looking at
9 because if we don't do that I'm wondering why that same
10 policy, which seems like a good policy, shouldn't be
11 exercised in some way in the water quality arena because I
12 think you mentioned earlier that one of the concerns in the
13 water quality arena is this sense of will it get done and I
14 know it's been raised by my staff and I bring up the issue,
15 is there a mechanism or should we think of that principle?

16 EXECUTIVE DIRECTOR SNOW: Well, I would
17 point out that one of the comments that we've gotten from
18 stakeholders is related to that.

19 We referred to it in a shorthand fashion way of
20 raising the bar and that is the conditions that must be met
21 if somebody is going to get CalFed benefits and a lot of
22 discussion took place here earlier assumed that raising the
23 bar meant increasing rigor on conservation but in fact what
24 some people have suggested they are to have done reasonable
25 things with respect to water quality and other activities

1 And I guess what we are trying to say in this
2 document that you are referring to is that while on the one
3 hand in a number of cases we cannot commit to specific
4 actions to rectify a particular problem in a particular
5 location because we don't have enough information yet to
6 know whether the proposed action would work, whether that
7 is the highest priority problem for us to be dealing with,
8 the degree to which it is, in fact, causing problems in the
9 estuary and in short there are a number of uncertainties
10 associated with these problems that we feel simply have to
11 be worked through more fully before we can say
12 categorically that we are going to take a specific action.

13 Our feeling was that this was essentially
14 consistent with the Program Level of detail and while on
15 the one hand we are not committing to a specific course of
16 action we are committing to a process that will lead us in
17 a logical way to solutions and that those decisions will be
18 made in a way that ultimately are economical and wise use
19 of public resources.

20 CHAIRMAN MADIGAN: Byron.

21 MR. BUCK: Mike, I'm trying to understand
22 your question.

23 As I understand the water quality program it's
24 really upstream for the most part source control measures
25 if you're going to improve the water quality for users in

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1 like reclamation.

2 MR. SPEAR: My assumption here is that
3 this water quality issue is not so much raising the bar,
4 it's whether or not the actions that are being taken that
5 are require now or assumed as baseline in the program and
6 this then becomes a check point that the baseline
7 assumptions are in fact not necessarily raising the bar.
8 It's meeting the bar.

9 EXECUTIVE DIRECTOR SNOW: Do you have any
10 comments?

11 RICK WOODWARD: I'll try to answer this in
12 terms of how this piece of the program has been put
13 together.

14 For the most part the programmatic actions that
15 have arisen out of the water quality program are general
16 statements directed to categories of pollution that are of
17 concern to the people who've helped us to put together the
18 program.

19 Now, in many cases the statements of these
20 actions are such that we are not certainly ready to go and
21 start committing large scale resources to their solution
22 without a good deal of additional effort and I think
23 earlier Lester was showing you a diagram that indicated
24 that there are a number of steps that we see happening
25 before irrevocable commitments of resources are made.

1 the system.

2 I don't see the linkage that I do with, say,
3 water use efficiency for those getting a benefit out of the
4 program that you would require them to do something on the
5 water quality side on an upstream measure because generally
6 those are pollution control actions and those causative
7 factors aren't probably going to see a direct benefit in
8 terms of supply or anything else out of the CalFed solution
9 so I'm having trouble with the premise, I guess, trying to
10 understand it.

11 MR. SPEAR: I think there is a difference
12 in some cases but in some cases I think we are dealing with
13 the same issues, drain water runoff, et cetera.

14 You know, you have ag interests that affect
15 water quality and also receiving water and some of those
16 things so you have some overlap.

17 And I'm just asking about the basic principle
18 here that we are dealing with, that's all. They are
19 obviously not as well connected as perhaps the other one.

20 CHAIRMAN MADIGAN: All right. I have two
21 requests.

22 We'll get back to Miss Cohen. You are on.

23 RONNIE COHEN: Ronnie Cohen, NRDC.

24 I just want to say at the beginning that a lot
25 of you know I've been away for a month and I was a little

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1 bit nervous about taking that much time off because I was
 2 afraid that I was going to really fall behind.
 3 CHAIRMAN MADIGAN: And you haven't.
 4 RONNIE COHEN: And I really want to thank
 5 the water use efficiency program for making sure that I was
 6 right where I left off. I feel like we're right where we
 7 were a month ago.
 8 As Lester and Roberta and others have
 9 reiterated there is broad public support for a strong
 10 efficiency program and the point is not to have a uniform
 11 program that cuts across all the alternatives but to have a
 12 high level of efficiency that cuts across all of the
 13 alternatives and the question I guess before us is whether
 14 the program as outlined is that program, is a high enough
 15 level and the first question is high enough for what, good
 16 enough for what, and we can't evaluate the water use
 17 efficiency program in a vacuum.
 18 A letter that the environmental water caucus
 19 has submitted that's in the packet that you all received
 20 lays out the case that we need to tie the efficiency
 21 program into CalFed's program goals.
 22 We need to know how much we need to reduce
 23 demand in order to heal this system, to improve instream
 24 flows, to reduce diversion impacts and these changes will
 25 also help meet water quality goals and could introduce

1 We have a parallel on the urban side where we
 2 have a process, an MOU, a council that the environmental
 3 community has participated in and supports.
 4 However, when the CalFed Program came into
 5 existence it was clear to us that the stakes were raised
 6 that we had -- that the public had a right to demand a
 7 higher level of efficiency that wasn't then necessarily
 8 being realized through the Urban Water Conservation Council
 9 and as a result that has led to the revision of the best
 10 management practices. I'm not that you all know that on
 11 September 30th the package of revised BMP's that was
 12 negotiated by urban and environmental representatives was
 13 overwhelmingly adopted by the California Urban Water
 14 Conservation Council and the next task ahead of us is to
 15 develop a certification and enforcement program but there
 16 is a parallel along the agricultural side, which is AB 3616
 17 even if we had come to agreement on it, we now have a
 18 higher stake and AB 3616 does not go far enough.
 19 CalFed's current test for efficiency as
 20 proposed is to see whether a district has applied and is
 21 implementing an AB 3616 plan.
 22 However, we don't think the plan itself even if
 23 a district adopts and implements an AB 3616 plan that does
 24 not necessarily ensure efficiency.
 25 In fact, in recent conversations I've had with

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1 flexibility into the conveyance system that would help us
 2 improve reliability for the remaining demands.
 3 CalFed has not yet done this analysis and I
 4 have to say that I think there is no way that there is
 5 going to be public support for whatever alternative comes
 6 out until that kind of analysis is done.
 7 Now, a couple of specific comments about both
 8 the agricultural and urban-water use efficiency programs.
 9 I reviewed quickly the water use efficiency
 10 update that was handed out at the beginning of this
 11 meeting.
 12 I know it's going to be addressed more
 13 thoroughly tomorrow but I won't be able to be here for that
 14 discussion.
 15 That update points out that the environmental
 16 community in particular had concerns with the way
 17 measurement and pricing issues were handled in the AB 3616
 18 process.
 19 It is certainly true that those were indeed
 20 among our most serious concerns. They were not our only
 21 concerns with AB 3616.
 22 However, even if those concerns were addressed
 23 and we were all in agreement about how measurement and
 24 pricing would be handled in AB 3616 that doesn't mean that
 25 AB 3616 would be adequate for CalFed purposes.

1 some consultants that are doing some monitoring they say
 2 districts can be implementing these best management
 3 practices and be using more water so in fact we need to
 4 have other kinds of performance standards, other measures
 5 of efficiency beyond AB 3616.
 6 The update which I'm not everyone has had a
 7 chance to read yet but CalFed handed out says that CalFed
 8 has identified 150,000 acre feet of real water savings that
 9 will be achieved through their efficiency program, not too
 10 much water.
 11 Seems to me that saving less than one percent
 12 of the agricultural water uses is not -- they are not
 13 trying very hard and I think it validates our point that
 14 the current proposed program falls short of what the public
 15 wants to see.
 16 I was hoping to not have to say anything else
 17 on the urban side besides that we had passed these revised
 18 BMP's and that we were proceeding well along the path of
 19 developing the certification and enforcement program and I
 20 was really disappointed to get the messages from CUWA that
 21 they don't believe that the sanctions that CalFed has put
 22 on the table are appropriate.
 23 I think -- I just want to speak to a few points
 24 that Byron made.
 25 He made the point that the water based

1 sanctions can't necessarily be applied to all water
2 districts.

3 But I think what is important is not that every
4 tool be uniformly applicable but rather that we have a
5 suite of tools that can reach all water districts so even
6 if all water districts are not going to try to transfer
7 water that doesn't mean that restricting access to
8 transfers is an inappropriate tool.

9 It just means that you need to make sure that
10 you have other tools that can go out and get -- can reach
11 and motivate all the water districts.

12 He points out that there are administrative
13 difficulties with applying some of these tools. I'm
14 confident that we can work out the administrative
15 difficulties.

16 And finally he said -- he pointed out that we
17 shouldn't automatically go to water based sanctions. These
18 water based sanctions have been proposed not as the first
19 tier of sanctions.

20 We have envisioned a process where agencies are
21 notified. They are given assistance. They then come up
22 against monetary penalties.

23 There is a range of tools and you wouldn't bump
24 up against these water based sanctions until you had
25 repeatedly violated the agreement and certification

1 City of Poway in San Diego County.

2 In that capacity I serve as a delegate
3 representing the City on the San Diego County Water
4 Authority as one of its 34 Directors.

5 I am also the Chair of the Water Policy
6 Committee for the Water Authority and through that
7 committee we have been attempting and I might say it has
8 been a constant challenge to stay abreast of the vast
9 amounts of information associated with the Bay-Delta
10 issues, but we have been attempting to stay abreast of that
11 through frequent briefings and visits and interaction of
12 our staff to try and keep us abreast of that.

13 I do appreciate the opportunity this afternoon
14 to address the Council on issues that are of importance not
15 only to the Water Authority but to all of California.

16 The San Diego County Water Authority is the
17 public water wholesaler to 23 member agencies in our
18 region.

19 The mission of the Water Authority is to
20 provide a safe reliable supply of imported water to our
21 member agencies.

22 Those agencies in turn provide retail services
23 to more than 2.6 million urban and agricultural users.

24 The water supply that we have, nearly all of
25 which is imported forms the lifeblood of our county's 70

1 process.

2 So I think that the tools are very appropriate
3 and should be included and I hope that we can work out
4 these differences with the urban agencies because
5 unfortunately I feel like their position on this issue
6 threatens the one element of the efficiency program that
7 has made some real progress.

8 Thank you. ---

9 CHAIRMAN MADIGAN: Thank you.

10 Randy Williams, representing the San Diego
11 County Water Authority.

12 Mr. Hall.

13 MR. HALL: Mr. Chairman, for the record
14 let me just state that in response to the eloquent
15 presentation I repeat what I said earlier to Roberta.

16 CHAIRMAN MADIGAN: Thank you.

17 MS. BORGONOVO: I wouldn't have expected
18 otherwise.

19 CHAIRMAN MADIGAN: Would you like to
20 repeat just for the record that you would like your remarks
21 included as well in rebuttal to the rebuttal.

22 RANDY WILLIAMS: Thank you, Mr. Chairman.

23 It's a pleasure to be here this afternoon to
24 address the Bay-Delta Advisory Council.

25 I am Randy Williams, I am a resident of the

1 billion dollar economy, our job base and our quality of
2 life.

3 The San Diego County Water Authority has been
4 involved for many years in efforts to develop a
5 comprehensive long-term solution for problems that affect
6 the Bay-Delta system.

7 We were active participants in the three way
8 process that preceded CalFed's formation and today we
9 participate some several BDAC workgroups and in the ag
10 urban process.

11 We clearly remain committed to finding a
12 solution to mutual benefit to all stakeholders.

13 We engage ourselves in these endeavors because
14 we recognize just how important the Bay-Delta system is to
15 all of California but especially to San Diego County.

16 San Diego may be climatologically beautiful but
17 we are from precipitate and a geology standpoint quite
18 challenged. Rainfall and groundwater are so limited as they
19 provide us with only five to 25 percent of the total water
20 use in our area.

21 The rest of the water that we use we must
22 import from long distances away. Less than 25 percent of
23 our annual water supply is delivered through the State
24 Water Project from the Bay-Delta.

25 The Colorado River currently supplies the rest

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1 of our imported water needs. Comprising 75 to 95 percent
2 of our water use clearly imported water is vital to our
3 economy and to our environment.

4 I am here to tell you a little bit about how
5 San Diego County uses its existing water supply and what we
6 are doing within our region to generate more supply from
7 local opportunities.

8 Perhaps more so than most other communities in
9 California the San Diego region is implementing our
10 nation's integration policy. Certainly our geography
11 contributes to that.

12 The associated and inevitable growth in
13 population will force us to continue to find future water
14 supplies. I also want to tell you a little bit about what
15 we would expect, what we would hope to achieve from
16 CalFed's preferred alternative and what Californians
17 everywhere can expect of San Diego.

18 First, CalFed and BDAC, indeed all of
19 California have the right to expect us to use our existing
20 water supply effectively and efficiently.

21 The San Diego County Water Authority helped to
22 develop the urban best management practices for
23 conservation and leads California in implementing the
24 BMP's.

25 As a personal testimony to that back during the

1 More than 25 water reclamation projects are
2 either producing water or under construction or are
3 presently being planned and developed in our county.

4 We estimate that San Diego by the year 2015
5 will find the ways to reuse 55,000 acre feet of water each
6 year and that will amount to about eight percent of our
7 total water needs in that same year.

8 Additionally in the next 20 years the
9 development of groundwater at more than a dozen sites is
10 expected to yield up to another 45,000 acre feet of local
11 water and I think it's important to point out that that
12 groundwater is primarily brackish water so that means we
13 can't just use it we have to go through extensive treatment
14 processes.

15 You have the right to expect San Diego County
16 Water Authority to find nontraditional sources of water
17 supply. We are in fact acting to expand the reliability of
18 our imported water supplies.

19 I'm sure you've heard about our negotiations
20 with the Imperial Irrigation District. That will lead us
21 toward a long-term water conservation and transfer
22 agreement.

23 When completed this agreement will mark the
24 largest agriculture to urban water transfer in our nation's
25 history.

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1 drought my own City Council did not see it necessary that
2 they endorse the best management practices because they
3 felt they were already doing it and they saw no direct
4 benefit but with the activities of CalFed just to show you
5 how at the local City Council level people are paying
6 attention, two weeks ago our Council adopted a resolution
7 that says we will abide by the best management practices so
8 California -- in San Diego we are getting the message and
9 we are serious about that message.

10 Our member agencies combine to spend more than
11 five million dollars each year exclusively on conservation
12 programs. Much of that money goes to encourage
13 installation of ultra low flush toilets.

14 San Diegans, in fact, have put in more than
15 270,000 of these water saving fixtures to date and all told
16 our conservation practices just through those simple things
17 have reduced our water import needs by 20,000 acre feet a
18 year.

19 Through our continuing emphasis on conservation
20 we project that we will save four times that 20,000 acre
21 feet or 80,000 acre feet in the year 2015. Our citizens
22 take water conservation seriously.

23 CalFed and BDAC and Californians have the right
24 to expect San Diego region to continue moving ahead
25 aggressively in water reuse.

1 We expect this project will each year bring to
2 San Diego County ultimately 200,000 acre feet of water. If
3 fully successful this single activity will satisfy one
4 fourth of our region's projected needs by the year 2015.

5 And you also have the right to expect us to
6 participate in Bay-Delta ecosystem restoration and Delta
7 levee protection programs.

8 We're willing to do that because we know these
9 efforts are essential to the future of California.

10 Our San Diego residents voted overwhelmingly in
11 support of Proposition 204. We at the Water Authority
12 believe that voter support will continue.

13 As you can see the Water Authority and San
14 Diego citizens are committed to making the most of the
15 Water Resources we have today as well as those we can
16 develop in the future.

17 Although our local water development programs
18 will satisfy nearly 40 percent of our water needs in the
19 year 2015 and that's up from the five to 25 percent that I
20 mentioned we presently enjoy remember that we are expecting
21 our population for any number of different reasons and like
22 it or not to grow by about 28 percent. We are going to
23 need more water and we are talking about wet water and wet
24 water from the Delta.

25 For this reason just as you can count on us for

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1 so many things that I mentioned earlier we need to be able
2 to count on CalFed's Bay-Delta fix for certain things as
3 well. Among those the Bay-Delta solution must give us more
4 water.

5 Even though we are spending annually millions
6 of dollars in securing new supplies and using our existing
7 resources as effectively as possible we project the future
8 need for increased deliveries from the State Water Project.

9 The solution must give us reliability. It
10 should provide regulatory certainty and predictability of
11 Delta water supplies in both the short-term and the
12 long-term.

13 It should improve the ability to convey water
14 to enhance State project supplies and facility water
15 transfers -- excuse me, and facilitate water transfers.

16 It should improve the quality of water diverted
17 from the Delta which will help urban Water Agencies control
18 treatment costs and assist in the water reuse process.

19 It should contain a comprehensive ecosystem
20 restoration program that takes into account all factors
21 that have degraded the Bay-Delta habitat and fish and
22 wildlife species.

23 This will benefit not only the environment but
24 also help make water supplies for cities and farmers more
25 dependable. The solutions should encourage cost effective

1 say on an annual basis, per capita annual basis?

2 Have you ever talked about what you think would
3 be -- a fee you might be willing to pay, whether it's a
4 dollar per person or five dollars per person?

5 Have you ever had that kind of discussion?

6 RANDY WILLIAMS: Actually every time the
7 Board meets they talk about that and I think it's
8 appropriate that we do that.

9 And a more direct answer to your question
10 approximately a year-and-a-half ago we conducted a survey
11 through the Water Authority of a number of residents, kind
12 of a random survey, to determine what they would be willing
13 to pay and what they felt was a little bit excessive.

14 It's always hard to specifically pin down
15 numbers but our citizens definitely are willing to pay for
16 more water reliability and for a supply that will guarantee
17 that they don't have to go what they went through during
18 the drought.

19 So I think the answer to your question is still
20 somewhat obscure but they are willing and I guess beauty is
21 in the eye of the beholder as to exactly what that amount
22 will be.

23 We do have a number of issues, though, that are
24 on our plate that we are working on that will add to the
25 cost of water supply and reliability in our area.

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1 measures to manage water demand as a way to reduce demands
2 on the Bay-Delta.

3 These measures include conservation,
4 reclamation, groundwater development, additional storage
5 and water transfers.

6 When compared with other options for developing
7 water supplies CalFed's preferred alternative for the
8 Bay-Delta also should be cost effective and the costs must
9 be allocated equitably to all those benefiting from
10 improvements to the Bay-Delta system.

11 We are prepared to shoulder our share of this
12 responsibility in San Diego.

13 In summary my message to you is simple. We in
14 San Diego County are willing to do our part in the areas of
15 water supply development and conservative use.

16 We expect that CalFed's comprehensive long-term
17 plan for the Bay-Delta system will help us to accomplish
18 this task.

19 If you have any questions, I would be happy to
20 address them.

21 CHAIRMAN MADIGAN: Thank you.

22 Questions?

23 Bob.

24 MR. RAAB: Have you in San Diego ever
25 discussed how much of a user fee you think would be fair

1 Specifically we are working on an emergency
2 storage project that will guarantee us reliability during
3 an earthquake in Southern California that would otherwise
4 cut us off from water supplies imported to the region.

5 CHAIRMAN MADIGAN: Sunne and then Hap.

6 MS. MCPHEAK: Okay. A question, you
7 mentioned the commitment to best management practices to
8 BMP's.

9 How have you envisioned being able to
10 encourage, reward compliance or implementation of the
11 BMP's?

12 Are you contemplating particular sanctions?

13 How do you see that best working in San Diego?

14 RANDY WILLIAMS: I think for us in
15 San Diego because the drought was such a severe impact upon
16 us each of the agencies have already embraced the concept
17 of best management practices.

18 I said my own City of Poway was until recently
19 not a signer of that but now they too are a signer, not
20 because they didn't believe but because they felt they were
21 already doing those things. The Water Authority watches
22 over it.

23 We track very carefully what our
24 accomplishments are through conservation and best
25 management practices and we look for opportunities to

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1 improve there.

2 We have not developed policies that would be
3 specific sticks or carrots to try to encourage that further
4 because we believe we are already doing that in a large
5 way.

6 MS. McPEAK: Including landscaping
7 policies?

8 RANDY WILLIAMS: Yes, we do.

9 CHAIRMAN MADIGAN: Hap.

10 MR. DUNNING: You were speaking just a
11 minute ago about enhanced reliability with regard to water
12 supply which generally has been the focus of CalFed but I
13 understood earlier in your comments you talked about an
14 expectation of augmented deliveries.

15 Could you spell out a little more what you're
16 anticipating there?

17 You said more water is needed from the Delta in
18 the future for San Diego.

19 RANDY WILLIAMS: Yes.

20 MR. DUNNING: That's above and beyond
21 existing contractual arrangements?

22 RANDY WILLIAMS: At this point in time
23 although we have tried to quantify what we think our future
24 needs overall for water will be based upon demographic
25 projections of population growth primarily we are looking

1 before.

2 CDFA has put in a number of written comments to
3 CalFed on these issues and I'm not going to go through all
4 of those but first ag land and water use are part of the
5 existing environment and CDFA believes they need to be
6 treated as such in the CalFed EIR and second the ownership
7 of resources and the motives of individuals are of rather
8 little significance in the contents of an EIR.
9 And the programmatic level alternatives for
10 avoidance and mitigation are needed and in fact are
11 essential for an adequate programmatic EIR.

12 A piecemeal analysis of impacts and mitigation
13 of impacts on a piecemeal basis at the site specific level
14 would simply not be adequate under CEQA. It would be a
15 setup for failure during subsequent tiers of review and
16 implementation.

17 The purpose of a programmatic EIR is to look at
18 alternatives, to look at mitigation at the programmatic
19 level before major commitments are made, and I think that
20 has to happen and the CDFA definitely wants to see an
21 adequate EIR whose certification will stand. So any
22 questions?

23 (No response)

24 CHAIRMAN MADIGAN: Okay. Thanks.

25 Steve Ottemoeller, Westlands Water District.

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1 elsewhere to try to find those sources of water.

2 I mentioned all of those things that we are
3 doing, the reclamation, the reuse, the other conservation
4 efforts, groundwater development, the transfer from the
5 Imperial Irrigation District.

6 Regardless of all of those things combined we
7 are looking at what today is probably 75 percent of our
8 total imported water.

9 We still think that the population growth, and
10 as I told you, it's probably going to be about 28 percent
11 between now and 15, 20 years from now so we think that
12 there will probably still be a need for additional supply
13 imported to our region.

14 We certainly are looking to as much help as
15 possible from the Bay-Delta fix but we are also looking
16 after ourselves as best as we can in other avenues as well.

17 CHAIRMAN MADIGAN: Thank you very much,
18 Randy.

19 RANDY WILLIAMS: Thank you.

20 CHAIRMAN MADIGAN: Robin Reynolds.

21 ROBIN REYNOLDS: Thank you.

22 I'm Robin Reynolds with the Department of Food
23 and Agriculture and I have a few brief comments that I'd
24 like to make regarding agricultural land and water and the
25 impacts to expand on the discussion that was going on

1 Good afternoon.

2 MR. OTTEMOELLER: Good afternoon.

3 Thank you.

4 I somewhat feel we're doomed to go over this
5 debate over and over again, and I sat there thinking I'm
6 not going to say anything, I'm not going to say anything
7 but --

8 CHAIRMAN MADIGAN: You could simply refer
9 to your previous remarks.

10 MR. OTTEMOELLER: Most of them were on
11 record.

12 A few things I feel I have to respond to,
13 though.

14 I'll start out by saying I agree with what Stu
15 and Steve's comments on the appropriateness of where things
16 are right now on water use efficiency and sanctions and so
17 forth. I won't go into any detail on that.

18 I just want to remind people, water use
19 efficiency is not demand management. Water use efficiency
20 at least with respect to agriculture is being more
21 efficient in the way you use that water.

22 Demand management as people are talking about
23 it can only be accomplished by taking land out of
24 production.

25 A comment was made by Miss Cohen that she had

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1 been informed that it's possible for somebody to meet the
2 AB 3616 program and be using more water. As a matter of
3 fact, that's true.

4 If somebody is going to go to the expense of
5 the investments that it takes to be more efficient to use
6 the water that his plant is using more efficiently to make
7 sure that the plant is using more of the water that's
8 applied, it's quite possible that in optimizing the
9 efficiency of the delivery system he's going to optimize
10 the use of water by his crop, he's going to get better
11 yields, he's going to have more evapotranspiration and he
12 may end up using at least the same if not more water and be
13 way more efficient than he was before.

14 For that reason I think to the identification
15 of 150,000 acre feet as a potential savings while overall
16 it may be a reasonable number it's probably excessive if
17 there is an expectation that that amount comes from those
18 lands that are reliant on exports.

19 Those who rely on exports in agriculture are
20 already very efficient.

21 The farmers in the Westlands Water District are
22 known for being about as efficient as you can possibly be
23 with the use of their water both in terms of efficiency of
24 use of that water on the plant as well as efficiency of
25 production.

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1 So to remind all of you there are some areas
2 that are very efficient that are the first targets of water
3 supply reductions when exports are reduced.

4 Finally, I would just say as a reminder
5 incentives are certainly more effective from a farmer's
6 perspective than are hammers and sanctions.

7 Thank you.

8 CHAIRMAN MADIGAN: Thank you. All right.

9 We have had a real good conversation, Lester, I
10 think. Lots of helpful thoughts and suggestions and that's
11 good.

12 I appreciate the participation of everybody.

13 We are obviously late. We are going to have to
14 make some adjustments on our schedule.

15 It turns out that by about five o'clock or so
16 this AV equipment needs to be taken apart and shipped off
17 to Woodland for this evening -- Walnut Grove. I was close,
18 Walnut Grove.

19 Kind of close (inaudible).

20 However, there are things that I still would
21 like to accomplish this afternoon, one of which is to ask
22 if there is any public comment on general items.

23 Then I would like to go ahead and get started
24 on the distinguishing characteristics analysis and find out
25 from you all at the end of that if you want to go into

1 breakout sessions this evening or whether you want to
2 convene tomorrow with that subject.

3 But let me start first by asking if there are
4 any members of the public who wish to be heard on matters
5 of general public comment so that we don't miss that
6 opportunity?

7 All right. Seeing none then, Lester, let's go
8 ahead and get started on the question of distinguishing
9 statistics analysis, emerging policy trade-offs.

10 At the end of that conversation we will see
11 where we are in terms of the breakout sessions this evening
12 or tomorrow.

13 Mary.

14 MS. SELKIRK: I just wanted to add one
15 thing to help you when you are thinking about this, we were
16 hoping that the heart of today was going to be an
17 opportunity for BDAC members to discuss the very
18 significant policy trade-offs that are emerging out of the
19 work on the alternatives because that's really the one
20 opportunity BDAC is going to have before you have a draft
21 preferred alternative before you on December the 12th.

22 We had obviously initially planned to have
23 those discussion groups right about now for the rest of the
24 afternoon.

25 After Steve's presentation what you need to

1 think about is whether you as a group would like to convene
2 today. We have small rooms that are available until six
3 o'clock, I'm sure, if people want to stay that long. The
4 dinner begins at the Hyatt at six.

5 Alternately we can reconvene in the morning,
6 change the schedule around tomorrow, which would mean that
7 we would have almost a full day of meeting tomorrow if we
8 have breakout groups in the morning so that's something to
9 bear in mind and we can decide that at the conclusion of
10 Steve's presentation.

11 CHAIRMAN MADIGAN: Okay. Mr. Yacger.

12 Excuse me, Steve.

13 MR. HALL: Can I get a little
14 clarification on what the breakout groups are going to do?

15 MS. SELKIRK: The summary of Steve's
16 presentation with Lester is going to be an identification
17 of a series of significant policy trade-offs that
18 differentiate the alternatives that BDAC is going to be
19 asked to discuss and the purpose of the small groups is to
20 give all members of the Council an opportunity in a more
21 intimate -- less formal environment to discuss those
22 trade-offs.

23 Now, not with the idea that any group would
24 have a conclusion about where they stand vis-a-vis the
25 trade-offs.

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MR. HALL: Oh, good, well, as long as we don't have to draw any conclusions. (Laughter)

MS. SELKIRK: No, you don't have to make any decisions (inaudible).

MR. HALL: Thank you for reassuring me, Mary.

MS. SELKIRK: You are welcome, Steve.

CHAIRMAN MADIGAN: Steve.

MR. YAEGER: Thank you.

We're focusing this particular presentation on there are five aspects to the program. I want to walk you through our analysis of the alternatives, the screening we've done, the evaluation since about June.

Then we are going to present the basic findings of the analysis. You'll find that under distinguishing characteristics here in your packet.

Then we want to talk a little bit about some of the most significant characteristics that we've identified and then we'll be talking about the inter-Agency development team, the progress made on developing some hybrid alternatives and then return to talk about these policy trade-offs that will be the subject of your discussion in the breakout groups.

I am going to be assisted by Dick Daniel, to talk about the fishery issues and Rick Woodard is going to

how we were going to move through that development. This particular org chart tries to display that.

The key to that is what we call inter-Agency development team. It's a team of representatives from each of the CalFed Agencies as well as the core team, which is our own staff team.

They have been meeting for some eight weeks and taking the results of the analysis on distinguishing characteristics, using that analysis and applying it against the alternatives to develop what we call three hybrid optimized alternatives.

The reason that we can move I think to three is that our evaluation of distinguishing characteristics showed that there was not a significant difference between each of the options within the main conveyance concepts.

That is, under alternative one using the existing system there was not a significant amount of difference in the performance of that alternative with the exception of storage in option C.

The same is true of alternative two that there was not a significant amount of difference in performance between, for instance, the variation 2-A and 2-D where the only difference was the type of levee setbacks you had as opposed to incorporated ecosystem projects within that.

So what you're going to see today will be kind

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talk about the water quality issues, Mark Cowan on storage and conveyance and of course Lester will wrap things up with the policy trade-offs.

But just a little bit of history, I think you've seen this several times since June but it does describe well the process that we've gone through. It is a two-step process.

We did some alternative narrowing and in that particular track we eliminated three alternatives based on feasibility and duplicative conveyance concepts and we combined two others basically pipeline alternatives and came from the 17 alternatives that we had in June down to 12 alternatives.

Now, the second step, the detailed evaluation, is shown on this slide and it has several different parts. In the analysis that you see in your packet we used the implementation strategy, financial planning and assurances.

We used impact analysis, the input from the workgroups, prefeasibility analysis and modeling in order to evaluate the 12 alternatives and to produce those summary charts that you see in your packet.

We are now at the end of the evaluation process and moving into the draft preferred alternative development.

At your last meeting we presented a concept for

of a focus on those three conveyance concepts as described by the three alternatives and this development team is developing an optimized version of each one of those three, which Rick Woodward is going to describe some of the basic characteristics of today and we will be working through a process with the management team to develop those further and come back at your December meeting with a full description of those three optimized and a recommendation on the preferred alternative.

In your packet you have copies of this narrative summary of the distinguishing characteristics. We have done further work since that narrative summary.

You will also read in your packet that we have broken down the 18 distinguishing characteristics into three groups.

The first group being characteristics that do not make a significant change or a significant variation between the alternatives.

The second group was there was some change but we needed to do additional modeling studies, additional analysis to quantify what the change is, and this that we call those that have the most significant changes and these are some of the key issues related to the alternatives.

We are going to be discussing a set of these today to give you a better sense of how those

1 characteristics vary.

2 Dick's going to discuss, as I said, diversion
3 effects and the flow circulation, Rick Woodward on export
4 and in-Delta water quality and I should say that in your
5 packet in-Delta water quality was not on this list of most
6 significant.

7 In response to some comments we reconsidered
8 that and decided that our previous analysis probably did
9 not consider all of the factors and that this ought to be
10 brought forward as one of the most distinguishing
11 characteristics and one of the ways that shows the most
12 change between alternatives.

13 So with that what I'd like to do is ask Dick to
14 come up and talk about the fisheries impacts and as I said
15 earlier he'll be followed by Rick Woodard on water quality
16 and then Mark Cowan on storage and conveyance.

17 MR. DANIEL: Thank you, Steve.

18 The first one I'm going to talk about is
19 entrainment effects on fisheries and when we talk about
20 entrainment there is actually two concepts that are
21 involved, fish that are lost directly in the Delta to
22 unscreened or poorly screened diversions and what is often
23 characterized as the secondary effect in that very often
24 these fish are drawn across the Delta into a hostile
25 environment full of predators where we have indirect

1 mortality due to the fact that they've been pulled into an
2 environment that they really didn't intend to be in in the
3 first place.

4 I don't have any terribly creative overheads
5 with which to discuss this but rather I think we can work
6 from the narrative.

7 As you know alternative one relies on existing
8 facilities. It continues to rely on diversions from the
9 southern point of the Delta.

10 It continues to rely on the use of Clifton
11 Court Forebay as a means to supply water to the State water
12 project. It does not involve large scale and effective
13 screens.

14 Although one of the alternatives amongst the
15 package of alternative ones that we are looking at is a
16 screen at Clifton Court which frankly would be very
17 difficult to do but by and large with regard to entrainment
18 effects on fisheries fishes dependent on the Delta,
19 alternative one performs most poorly.

20 Alternative two, which is the through-Delta
21 concept, wherein we would widen channels in the Delta
22 increase the volume of water that can move across the Delta
23 at any one point in time but reduce the velocity and
24 incorporate the potential for a screened diversion off of
25 the Sacramento River as opposed to the existing unscreened

1 Clifton -- Cross Channel gates.

2 It does show some additional benefits with
3 regard to the evaluation of the entrainment effects.

4 However, because of the fact and I'd really
5 like to find a good way to describe this -- if you screen
6 the intake to a through-Delta facility let's say with a
7 take at Hood, what we can do is effectively screen the
8 water at that point and reduce the number of fishes that
9 would otherwise move down the Sacramento River from getting
10 into the interior Delta.

11 However, we'd reduce the volume of water in the
12 Sacramento River below that point. We still have the same
13 number of fish in that reduced volume of water and because
14 we are continuing to rely on exports from the pumps in the
15 southern portion of the Delta water is moved through
16 Georgiana Slough, Three Mile Slough and depending on
17 operation through the Delta cross channel and the general
18 concept is the fish are proportional to the flow so you
19 have more fish concentrated in less water and our Technical
20 Committee working on fish screens essentially say that it's
21 about a wash in terms of the impacts.

22 So that aspect of the entrainment is not
23 necessarily improved with a through-Delta.

24 CHAIRMAN MADIGAN: BYRON.

25 MR. BUCK: Would the screens like that

1 become barriers on the other side?

2 MR. DANIEL: They do become barriers in
3 terms of upstream movement.

4 However, you can deal with that with fish
5 ladders or fish elevators if you're talking about fish that
6 accommodate fish ladders.

7 There's some question about some of the species
8 in the Delta that do migrate upstream whether or not they
9 would use a fish ladder.

10 Now, alternative three which is a combination
11 of this dual facility or is a dual facility which is a
12 combination of the through-Delta concept and an isolated
13 facility concept depending on the degree to which you have
14 isolation almost certainly reduces the impacts associated
15 with fish entrainment and performs the best from a fairly
16 moderate degree of improvement all the way up to full
17 isolation where you've essentially eliminated the direct
18 loss of fish due to exports. That's the way we've been
19 looking at entrainment.

20 There is a very distinct difference in the
21 benefits that you accrue as you move from existing
22 facilities on up to a dual facility.

23 This next concept is considerably more
24 difficult to explain. I'm not sure the graphics do a good
25 job.

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1 Here we are looking at the way in which water
2 flows through the Delta from upstream to downstream, from
3 upstream to the Bay and the hydraulic patterns that are
4 created in the Delta as a result of modifications due to
5 exports.

6 This is very important in terms of the
7 migratory cues that our anadromous fish use. It's very
8 important in terms of the positional location of Delta
9 fishes that are native in the system.

10 What I've tried to show here is that under
11 alternative one we've maintained Delta outflow standards so
12 we have a relatively significant fraction of Delta outflow
13 going down the Sacramento River.

14 We continue to export at Clifton Court which
15 can occasionally result in reverse flows which upsets these
16 migratory cues.

17 We still have a relatively modest flow of
18 San Joaquin River water into the Delta.

19 Under alternative one, one of the facilities
20 that looks very much as though we'd be likely to construct
21 would be a system of South Delta barriers including a
22 barrier at the head of Old River so that we can improve the
23 flow pattern down the San Joaquin River.

24 We would continue to have water coming through
25 the Delta Cross Channel gates and continue with essentially

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1 the same pattern of Delta outflow that we have now.

2 As we are working in the IDT trying to improve
3 the performance of this alternative we are looking at ways
4 and means to try and address this problem and Rick will
5 talk about that I believe in a few minutes.

6 Under alternative two we would be bringing a
7 much larger percentage of the flow that supports exports
8 through a wider channel.

9 That isn't going to make a whole lot of
10 difference in terms of the flow patterns as it affects the
11 fishes downstream from the San Joaquin River but it should
12 result in much lower velocities as water moves across the
13 Delta.

14 One of the things that is very difficult to do
15 is to model how fish would behave. We have an enormous
16 amount of data predicated on the DWR particle tracking
17 model which essentially predicts how inert particles will
18 react as a result of these changes in circulation pattern
19 but it doesn't model a live fish.

20 It doesn't model a fish that is determined to
21 fight its way into the ocean and it uses cues in addition
22 to flow patterns such as salinity as indicators of which
23 direction to go.

24 But by and large alternative two enhances the
25 circumstance over alternative one because although we are

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1 moving the same amount of water through the channels of the
2 Delta those channels have been widened and modified, the
3 velocities are lower and the volitional aspect of fish
4 behavior has a chance to perhaps overcome some of the
5 problems associated with migratory cues.

6 This is perhaps an extreme. Under alternative
7 three we are looking at a dual facility with some degree of
8 isolation in terms of the export.

9 Let's say that this represents full export
10 under which hydrology in the Delta again would be affected
11 by the diminished amount of inflow from the San Joaquin
12 River side due to upstream development, but we think the
13 net Delta outflow patterns would be more in tune with the
14 way we expect fish to behave in the system and this again
15 is a function of the degree to which you use isolation to
16 move water across the Delta and the season of the year in
17 which you rely on isolation.

18 Those are fairly straightforward, they're
19 fairly clear differences amongst the alternatives.

20 As I said, Rick will point out in a couple
21 different instances how through the IDT process we are
22 trying to improve upon the constraints associated with the
23 conveyance facilities in order to deal with these two
24 specific fisheries issues.

25 Questions?

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1 (No response) Thank you.

2 CHAIRMAN MADIGAN: Okay.

3 RICK WOODARD: So I'll be discussing how
4 the differences in export quality will help us distinguish
5 among the alternatives at least initially and then we'll
6 talk a little bit about in-Delta water quality.

7 I thought it might be instructive to sort of
8 take a look at the overall water quality trends that might
9 be expected as a result of the alternatives based on the
10 modeling work that's been done.

11 I should point out here that what I'm going to
12 be dwelling mostly on is TDS, total dissolved solids,
13 salinity, bromides that are all constituents of salt water
14 that are present in the Delta.

15 The reason that this issue is most important
16 with respect to selection of alternatives that these
17 alternatives have significant effects -- the selection of
18 the alternatives has a significant effect upon salt so we
19 will be focusing on that but it is not that that's the only
20 consideration within the water quality program.

21 We also have source control activities planned
22 for toxic substances control and other aspects but
23 concentrating today then on what are the aspects of water
24 quality that help us make a determination as to
25 alternatives.

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1 Looking at this what I've tried to do here is
2 just to give you an overall perspective of what the models
3 predict the water quality implications would be of
4 implementing one of the alternatives number one.

5 And it seems that these are -- this is the
6 general pattern of change or not that you would see with
7 any of the permutations of number one.

8 And again these are overall averages over the
9 16 years of hydrology that are being modeled so there are a
10 numbers of a lot of other ways you could look at the data
11 but I think this gives you sort of a perspective of the
12 overall impact of the choice of alternatives.

13 If you'll look at the legend, the black dots
14 that are shown there indicate locations that are outputs
15 for the model where salinity is predicted not to change
16 significantly.

17 You'll see numbers by some of the dots that
18 indicate either a plus or a minus and a number. Those are
19 intended to indicate in the case of a plus an increase in
20 quality which is the same as a decrease in total dissolved
21 solids or salts and likewise the negative would show a
22 reduction of quality or an increase in salts.

23 And I think without going into a lot of detail
24 you can see here that alternative number one in its
25 configurations would probably not of very significant

1 In fact, I don't anticipate that there will be
2 significant long-term changes with those programs as
3 written.

4 For instance, with the San Joaquin Valley we
5 are planning some salinity management activities in the
6 San Joaquin Valley that might, for instance, adjust the
7 timing of salt loadings coming into the Delta to better
8 enable export quality or environmental or ecological
9 concerns to help alleviate those.

10 But overall and again the picture I'm trying to
11 present here is one of sort of the overall perspective over
12 time even though timings might change, salinities and
13 concentrations might change as a result of some of these
14 activities.

15 We don't anticipate that those activities will
16 have significant impacts on the overall salt or tons of
17 salt coming into the system.

18 MR. BUCK: It changes a result of
19 facilities, only a current baseline of input?

20 RICK WOODARD: Yes.

21 So again to recap briefly we are seeing with
22 this alternative with actually the various permutations of
23 number two you will tend to see relatively large scale
24 improvements in the San Joaquin River in this section that
25 will flow outward.

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1 overall effects on water quality.

2 Now, turning to alternative two I think you'll
3 see some significant differences between alternative one
4 whereas alternative one had apparently little overall
5 improvement in water quality.

6 I think that you'll find with alternative
7 number two because it directs flow down the Mokelumne River
8 you will find that the San Joaquin River near where that
9 water flows in will be significantly improved and that
10 improvement will extend westward and southerly, especially
11 along Old River where Contra Costa Water District has its
12 intake and -- Byron? (Inaudible) Okay -- and down to the
13 State Water Project and Central Valley Project pumps where
14 the degree of improvement would be lesser but still
15 significant.

16 Byron.

17 MR. BUCK: On all of these alternatives
18 what did you assume for changes in baseline conditions or
19 inflow conditions based upon the water quality common
20 program, that is, all your source control activities would
21 lower salt coming in and just would be then lower still by
22 just moving it around differently or (inaudible).

23 RICK WOODARD: These really don't take
24 into account salinity improvements that might be expected
25 as a result of the common programs.

1 Also, you will get significant improvements in
2 the water going down through the pumps and especially by
3 Contra Costa's intake which would be significantly
4 benefited by that sort of thing.

5 Again, we find that there is a tendency not to
6 improve the quality in the south and eastern Delta and in
7 some cases possibly reduce it to some extent overall.

8 I do want to emphasize that if you chose to
9 look at this same kind of information seasonally by month
10 over different hydrologies you would see different kinds of
11 things emerging but nonetheless I think that for long-term
12 decisions this is the kind of overall changes that you
13 might or might not expect.

14 With alternative number three you are going to
15 tend to see significant improvements in the same part of
16 the Delta where -- in the San Joaquin area where it is
17 similar to what you see in alternative two.

18 Obviously, you'll get very significant benefits
19 and quality as a result of the operation of an isolated
20 facility.

21 And in the case of Contra Costa Water
22 District's intake they will experience an overall probably
23 no improvement, maybe some reduction of quality.

24 With this alternative and I think this is
25 particularly significant to note, the salinities in the

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1 central and the southeasterly parts of the Delta would be
2 expected to increase significantly as a result of
3 implementation of this alternative assuming that the
4 facility were operated with no plans for mitigations or
5 changes in the system that would help to address them.

6 Now, we will be talking a little bit later
7 about how the inter-Agency development teams are
8 approaching this problem and about some of the sorts of
9 ways we might go toward improving the situation.

10 So I should also point out that at the North
11 Bay intake common to all of the three alternatives they are
12 not benefited significantly by any of the Delta
13 alternatives so one consideration is that we'll need to go
14 into our decision making is whether some work needs to be
15 done to help to improve the quality of source water that
16 they are receiving.

17 I'd like to turn now to a couple of specific
18 locations to give you some idea of how some of the other
19 salt constituents would behave more specifically at a
20 certain location.

21 The Old River at Rock Slough is near the point
22 of intake for Contra Costa Canal or Contra Costa Water
23 District's intake.

24 And I've plotted here the first column being
25 the total dissolved solids, the second, the green would be

1 So we haven't really made any full
2 determinations on how we'll with that but given that we are
3 looking at a range of something like 50 to 150 I think
4 you'd see with respect to Contra Costa Water District's
5 intake that they would be significantly improved and would
6 almost meet a 50 and certainly would fall between a 50 and
7 150 with any of the permeations of number two that have
8 been modeled and maybe I should also point out that the
9 permutations you see here are the ones that were modeled in
10 the initial round of modeling.

11 There is another modeling underway that will
12 model more of these alternatives but what we are seeing now
13 are the actually model -- summaries of the modeling outputs
14 from those alternatives.

15 So again the alternative number two would be a
16 significant improvement in quality as compared to the
17 existing 1A representing essentially the existing
18 condition.

19 Whereas you will notice that 3-E doesn't do
20 much good for Contra Costa in terms of salinity.

21 Turning now to Clifton Court I think you'll see
22 a quite different perspective whereby alternative three and
23 I'm sure other of its permutations are going to tend to
24 produce the best salinity results and will get you quite
25 near a 50 -- probably near a 50 microgram per liter bromide

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1 chlorides and the red would be bromide.

2 Bromide is a constituent of sea water that's
3 very important to municipal systems because of its
4 capability to create unwanted disinfection by-products when
5 the water is treated.

6 At this point we are in the process within the
7 water quality program of establishing water quality
8 objectives for bromide in addition to other -- actually
9 targets would be more correct -- establishing water quality
10 targets for bromide in addition to others.

11 CUWA, as an example, has recommended that a
12 good target for bromide in export water would be on the
13 order of 50 micrograms per liter.

14 And, by the way, the first two columns are
15 expressed in parts per million. Bromide is expressed in
16 parts per billion so there is a 1,000 total difference and
17 I've plotted them this way so that they'll all get onto the
18 same scale.

19 So again, the CUWA folks have advised us that
20 their opinion that something like 50 would be a good target
21 whereas others in the CalFed agencies, EPA and others have
22 considered that a number of the clean 150 or 50 and 150
23 might perhaps be appropriate in consideration of the fact
24 that the drinking water regulations that affect bromides
25 are still being evolved.

1 concentration and certainly well below 150, whereas
2 permutations of alternative number two will tend to put the
3 bromide's concentration at about the upper threshold of
4 what might be the target range.

5 On the other hand, alternatives one and the
6 permutations of alternative one tend not to do much good at
7 all which I believe is consistent with the first diagram I
8 showed you indicating that water quality isn't
9 significantly changed through alternative one.

10 The salinity at Tracy intake follows a similar
11 pattern of Clifton Court as would be expected due to the
12 fact that both would be served to some extent by an
13 isolated facility.

14 So I think that about capsulizes what we are
15 looking at in terms of export water quality and I wanted to
16 show you one other diagram.

17 I apologize for the black and white.

18 That essentially gives you an idea of
19 how -- let me just show you here -- this site here would
20 behave with respect to the alternatives and again I think
21 what is important about these numbers are not the absolute
22 numbers but the patterns that they tend to demonstrate and
23 the modeling that we are doing now will help to refine the
24 numbers themselves but I think the trends they are showing
25 are pretty reliable.

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1 Now what we are seeing here is that
2 alternatives one and the smaller versions of alternative
3 two would essentially not improve but would not
4 significantly degrade water quality whereby the larger
5 permutations of the two's and the three's would produce
6 some certainly measurable degradation in the salinity at
7 those locations and this is fairly typical of what you're
8 going to tend to see in the southern part of the Delta and
9 at other modeling locations within the Delta you will
10 typically see that alternative three performs least well
11 for those.

12 So again that suggests that there could very
13 well be a need to do something to help to improve that
14 situation.

15 So I think that pretty well runs us through the
16 both export and in-Delta water quality distinguishing
17 characteristics as they apply.

18 CHAIRMAN MADIGAN: Byron, question and
19 then Alex.

20 Would you make Alex a copy of that one chart,
21 please. He'd like to put it on his wall in the den.

22 RICK WOODARD: Sure.

23 MR. BUCK: On the alternative three model
24 runs did you assume a lower salinity input coming in out of
25 the projects and then draining back into the system via the

1 wing this one but my view on this would be that we can with
2 the modeling results pretty well quantify I think the
3 difference in the salt loadings that would be sent down to
4 the San Joaquin Valley from the Delta and by that I mean
5 essentially tons of salt.

6 I think we'll get a pretty fair idea of what
7 the reduction of overall tons of salt might be, but I don't
8 think we are going to know what the concentrations of salt
9 in the San Joaquin River are going to be because the
10 agricultural interests down there will tend to use and
11 recycle in terms of creating efficiency of water uses, will
12 tend to recycle that water and cause the salinity
13 concentrations to increase so that it may very well be that
14 the actual salt levels in the San Joaquin River may or may
15 not be different significantly than they are now.

16 But once that salt is diluted with the rest of
17 the water in the Delta the effect has to be an improvement
18 in concentration because there will be simply fewer tons of
19 salt being ultimately sent through the system.

20 So I don't know that we can really quantify the
21 concentration improvements. We can quantify the difference
22 in tons of salt applied.

23 MARK COWAN: We could also do a what if
24 kind of analysis if, you know, if that's important.

25 CHAIRMAN MADIGAN: Alex and Roberta.

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1 San Joaquin and did that have a baseline effect as well
2 since with that type of facility you are going to have a
3 lower export -- or a higher export water quality which
4 theoretically at some point means less of a drainage
5 problem in terms of salt coming back into the system with
6 drainage?

7 Was that factored into the modeling runs or did
8 you assume again the same drainage inputs?

9 RICK WOODARD: I'll turn to Mark for this
10 one.

11 MARK COWAN: You are right that there
12 would be a long-term benefit along those lines and we
13 didn't include that in this round of modeling.

14 RICK WOODARD: I should say, Byron, that
15 that long-term benefit has been contemplated, though, in
16 deliberations of the inter-Agency development teams so we
17 do see that as ultimately a rather important feature.

18 MR. BUCK: Will there be any attempt to
19 quantify that? Because what we see here with this is we
20 just push salt around in the system.

21 We move it from place to place but if we can
22 consider the source control benefits on balance we might
23 get improvement in the right kind of places and not have a
24 negative impact in others if we could quantify it.

25 RICK WOODARD: well, Byron, I am going to

1 MR. HILDEBRAND: First to pursue Byron's
2 question a little further.

3 I'm involved in a modeling effort which is also
4 involving DWR modelers and regional Board modelers and
5 others addressing this very question and there is a
6 difference of opinion within the group as to whether this
7 is a way long range that you are going to get this
8 improvement that you correctly point out or it's not really
9 very long range.

10 We are not talking about days or a few months
11 but whether we are talking about two or three years or two
12 or three decades and my personal opinion is that it won't
13 be decades. It will be two or three years but that's just
14 my opinion. There are others who differ with that.

15 But if we put in the South Delta barriers you
16 are going to decrease the salinity in the salt load in the
17 DMC regardless of whether you have the isolated facility
18 because the modeling shows very clearly that you shunt the
19 salt load that comes down the river on down into the
20 Central Delta whereas now it comes down the river, it goes
21 right through Old River and Grant Line Canal right back to
22 the Delta Mendota pumps and you are recycling a few hundred
23 thousand tons of year of salt and all that salt has to be
24 diluted to meet the Vernalis standards or it's supposed to
25 be and so we are using a lot of New Melones water to dilute

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1 the recycled salt load and that will be largely done away
 2 with, not totally, by just putting the barriers in. You
 3 don't have to have the isolated canal for that.
 4 Now, I am a bit puzzled, Rick, by the figures
 5 you have here in terms of numbers.
 6 For the salinity in the South Delta if you
 7 refer to Table 1-3 it has -- and in the lower left quarter
 8 the July -- July December dry year and critical year -- oh,
 9 no, the July September dry and critical year salinities.
 10 Well, those salinities look a lot lower to me than what
 11 we've been having and even for the existing condition.
 12 Unless you assume that the Bureau is -- always
 13 meeting the Vernalis standard which they don't and that
 14 these are really just taken from the Vernalis standard
 15 rather than from historical facts.
 16 We have had -- we get salinities of the order
 17 of 1200 parts per million just upstream of Vernalis before
 18 you get the dilution from New Melones and that salt load
 19 concentrated as it goes on past Vernalis.
 20 We have had salinities as high as about 1900
 21 parts per million in Old River, not recently, but in the
 22 past during very dry years so I don't understand where
 23 these numbers come from. They just don't seem to me to
 24 agree with the facts.
 25 Also, I am not clear. I think from the text

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1 you indicated you average the salinity at several points
 2 within the South Delta rather than at Vernalis in some of
 3 these analyses so as I say I'm puzzled by the numbers.
 4 I look at them with some disbelief even though
 5 I have a lot of confidence in you.
 6 Can you explain that?
 7 RICK WOODARD: Misplaced confidence
 8 possibly.
 9 CHAIRMAN MADIGAN: Well, there is one
 10 option.
 11 RICK WOODARD: Mark. I think can -- every
 12 time I get in trouble it's Mark who will fix it.
 13 MARK COWAN: I agree that this probably
 14 isn't very reflective of recent history at all.
 15 And in fact the hydrology that went into this
 16 modeling effort is based on assumption that Vernalis
 17 standards will be met. So keep that in mind when
 18 interpreting these numbers.
 19 MR. HILDEBRAND: Well, also, if you used
 20 figures from a preceding CVP and if they are included in
 21 this and you took a long range picture that would be
 22 misleading because we never had a salt problem before the
 23 CVP and the salinity never got over 400 parts at Mossdale
 24 and so I think maybe you are misleading people by using
 25 numbers here that are not very representative.

1 People look at them and say well, that's not
 2 very salty. It should be all right.
 3 Whereas, I don't believe that that's the case
 4 and the isolated facility will definitely degrade what we
 5 have, no question about it, because as it is now we are
 6 drawing Sacramento River across the Delta since the San
 7 Joaquin River brings in less water in a critical year than
 8 it takes for channel depletion in the South Delta we are
 9 actually pumping a mixture of Sacramento water that's
 10 trying to cross the Delta and a lesser amount of San
 11 Joaquin water and if you put in the isolated facility we
 12 don't get that dilution anymore so we would be considerably
 13 worse off than we are in terms of salinity.
 14 RICK WOODARD: Well, I think the work that
 15 we've done does demonstrate that that would be the case.
 16 CHAIRMAN MADIGAN: Okay. Mr. Spear.
 17 MR. SPEAR: A very quick question. Very
 18 quick question.
 19 In the right up there is some baseline type
 20 numbers.
 21 For instance, a statement says salinity levels
 22 that exceed 450 to 500 can begin to have a yield reducing
 23 impact on some of the more salt sensitive irrigated crops.
 24 If we had that kind of number for urban and all
 25 of those things it seems to me what we really need here is

1 not so much just whether or not something goes up or down
 2 but whether it gets into a danger or costly level because
 3 if it just goes up and down but it's entirely within a safe
 4 level where everybody is happy with it, if I can assume
 5 then that everybody in ag would be happy with anything
 6 below 400, I don't know if that's the case, I'm not
 7 involved in ag per se -- then you could just say no impact
 8 or something like that.
 9 What we are getting lost in, I think, is a lot
 10 of numbers some of which are perhaps irrelevant to the
 11 decision and I'd like to see us focus on those that are
 12 relevant.
 13 You made a comment about the north Delta didn't
 14 get much benefit and as I read the things it doesn't get a
 15 benefit because it doesn't look like it needs one.
 16 It's got a hundred PPMTDS the whole time and
 17 you couldn't help it if you'd tried, if that's true.
 18 So we need to really focus in I think only on
 19 those numbers where there is a cost to urban water supply
 20 folks where we are getting into a danger level for ag or an
 21 increased cost level where certain crops are precluded and
 22 look at it that way because I have a hard time looking at
 23 the numbers and figuring out which ones are of interest.
 24 RICK WOODARD: I would suggest that there
 25 is not a really simple way to look at it.

1 For instance, water supplies exported to
2 Southern California are blended once they arrive in
3 Southern California and to the metropolitan agencies down
4 there I think it could be said that salinity is of great
5 importance to them and changes in salinity even relatively
6 minor can produce major changes in how they have to operate
7 their systems.

8 I think that, on the other hand, it is true
9 that the water quality that you are experiencing in the
10 Delta in many cases irrespective of the alternative chosen
11 may be suitable for supporting crop growth at that location
12 but again once you export water down the San Joaquin Valley
13 where it's reused, recycled in terms of efficiency and
14 manage it becomes less apparent that changes are
15 unimportant and I think that's something that really
16 affects the different user areas in different ways and
17 requires a fairly complex prism through which to evaluate
18 it.

19 CHAIRMAN MADIGAN: I have Roberta and then
20 Byron.

21 MS. BORGONOVO: I had a couple questions.

22 My first is I wanted to ask Byron if the urban
23 agencies are advocating the level of bromides for a
24 standard that they are worried about in the Delta.

25 MR. BUCK: what we did and it actually

1 two which are very stringent.

2 That's a regulatory negotiation process between
3 the EPA and the stakeholders on the environmental side and
4 the water treatment side.

5 Nobody knows exactly where they are going to
6 land so depending upon where they do that that number could
7 move a little bit anywhere between 50 and 150 but from our
8 view given that we are trying to protect public health we
9 ought to have the best source water quality we can and the
10 best chance of meeting those standards with technology
11 that's affordable.

12 The problem when you get to too high of a level
13 of bromide is there is no treatment technology out there
14 except for reverse osmosis that can deal with that and if
15 all of the urban agencies had to go to reverse osmosis
16 systems which are membranes, you would increase the water
17 demand in the Delta 25 percent overnight because you have
18 to reject a lot of the water that's coming through those
19 systems that ends up in brine outfall. So we don't want to
20 get pushed into a technology position that increases our
21 demands in the Delta any more than they are now.

22 MS. BORGONOVO: I understand that.

23 But in also talking to EPA people I think that
24 at the same time the stakeholder negotiations are going on
25 and urban Water Agencies are in that so here they are

1 gets to Mike's question as well, what we did was hire an
2 independent panel to go and look at where our drinking
3 water standard's going, based upon where drinking water
4 standards are going what do we need in terms of water
5 quality out of the Delta to meet them with the technology
6 that's available -- currently available and most likely to
7 be available in the future, current best available
8 technology -- not what we are using now but what we are
9 having to install to meet new standards.

10 Rick alluded to the primary standard is the 50
11 micrograms for bromide. Bromide tends to be very much a
12 determinant of your ability to disinfect for the water to
13 deal with cryptosporidium and other microbes,
14 Gerardia (phonetic) and still not create a high level of
15 disinfection of by-products.

16 So the expert panel looked at where the regs
17 are going, came back and said the critical issue really is
18 bromide, to some extent organic compounds are an issue and
19 they recommended that based upon where they think the regs
20 are going you would be best off and reasonably protected if
21 you had a 50 micrograms standards for bromide. You'd
22 likely meet where the regs are going.

23 Now, as Rick mentioned, it's a process that's
24 on ongoing. Stage one of the Safe Drinking Water Act
25 regulations are in place. There are placeholders for stage

1 arguing that it should be an alternative that gives them
2 that standard of 50 but in EPA they are probably arguing
3 for something else and so that's kind of hard for the lay
4 person to figure out what's happening there.

5 MR. BUCK: And that's a good point. I
6 mean, unlike the endangered species act or some of the
7 other laws, Safe Drinking Water Act brings in economic
8 considerations.

9 Primarily our position is we've got to go where
10 the science goes in terms of public health and that's the
11 first priority we have to protect, public health.

12 So we are going to end up wherever the
13 standards are that say we have to protect public health,
14 then we're going to need a source water quality and the
15 ability to treat it to meet it.

16 What our concern is is that the way this expert
17 panel laid out where those drinking water standards are
18 going, current Delta water quality is not sufficient for us
19 to meet the standards with current available advanced
20 technology.

21 MS. BORGONOVO: I had one other second
22 question if I could.

23 I wanted to know is it possible to irrigate so
24 you have no tail water and does that make a difference as
25 far as water quality goes?

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1 MR. HILDEBRAND: That's not possible.
 2 All water has salt in it and you have to
 3 overirrigate enough to leech the salt and that salt has to
 4 go someplace.
 5 One of our problems in the Valley is we aren't
 6 letting it go any place but the plant takes up through its
 7 osmotic root system, evaporates through its leaves an
 8 amount of water which is rather uniform for a pound
 9 of -- to grow upon the biomass and that leaves the salt
 10 behind in the root zone and that has to be flushed out and
 11 has to go someplace.
 12 In the Central Valley now -- or in the
 13 San Joaquin watershed at least what we are doing is we are
 14 flushing that excess application on down into the
 15 groundwater and salting that up and we are flushing part of
 16 it into the river and salting that up which creates the
 17 problems I just spoke of a moment ago and our refusal to
 18 have a valley drain is gradually going to do to us the same
 19 thing that happened in the Tigress near Euphrates back in
 20 the Biblical days. It put us out of business.
 21 It's just a matter of time and all our
 22 short-range thinking that's done around here is not facing
 23 up to that.
 24 CHAIRMAN MADIGAN: Back to you, Rick.
 25 RICK WOODARD: Well, thank you very much,

1 We've listed critical dry period deliveries as
 2 well as average annual deliveries over the long term.
 3 The primary difference in assumptions between
 4 existing conditions and the no action condition is the
 5 level of demand.
 6 For no action we've assumed a 20-20 level of
 7 demand which equates to about a ten to 15 percent increase
 8 in total demand level over the existing conditions.
 9 As you can see we've got kind of the classic
 10 trade-off. As demand increases the system is stressed
 11 more.
 12 Reservoirs are pulled down more often and while
 13 we get an increase in long-term average deliveries there is
 14 a commensurate decrease in deliveries during the critical
 15 dry period.
 16 For our alternative analysis we've identified a
 17 number of actions which might provide additional water
 18 supply opportunity and for the purpose of this summary I
 19 have itemized those specific actions and given the
 20 incremental benefits here that those actions might provide.
 21 So what I'd like to do is just briefly
 22 summarize each one of these actions, talk about these
 23 estimates and then show you how we might bundle these
 24 actions back into our three specific alternatives.
 25 The first action improved coordination of State

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1 and I think that we'll have Mark talk to us now. He has
 2 all the right answers.
 3 MARK COWAN: I am going to focus on water
 4 supply opportunities specifically.
 5 I apologize for the lack of information on this
 6 subject in your packets today. We've been real busy
 7 evaluating a set of operation studies that have been
 8 completed recently so this stuff is pretty fresh.
 9 I've got a considerable amount of detail in
 10 these studies so today I'm just going to try to summarize
 11 some of the general conclusions that we've reached at this
 12 point in our evaluation.
 13 As a way of background the Department of Water
 14 Resources system operation model DWRSIM is the primary tool
 15 we've used to do these evaluations of water supply and this
 16 model is primarily set up to estimate CVP and State Water
 17 Project deliveries under any given set of assumptions.
 18 So while we've used these project deliveries as
 19 a basis of comparison, I do want to make a point that these
 20 system deliveries that we have estimated might be allocated
 21 to other water users or to environmental purposes.
 22 As a benchmark we've modeled existing
 23 conditions and a no action condition and these are the
 24 resulting average annual system deliveries that the
 25 projects would provide.

1 Water Project CVP operations.
 2 What we're really talking about here is joint
 3 points of diversion, changing the State project CVP water
 4 rights permits such that in particular CVP water could be
 5 transported through State Water Project facilities when
 6 capacity exists and our estimates show that this type of
 7 action might provide a modest increase in long-term average
 8 deliveries.
 9 However, you can see critical period deliveries
 10 aren't really affected and that's primarily because
 11 critical dry periods our conveyance capacity isn't
 12 constraining the system.
 13 The second action increase in committed banks
 14 pumping capacity. The banks pumping plan is the State
 15 water project's Delta export facility.
 16 The physical capacity of the pumping plant is
 17 10,300 CFS which happens to be the capacity of the aqueduct
 18 downstream of the pumping plant.
 19 The operating capacity of the facility is
 20 currently restricted by the Corps of Engineers permit to
 21 something like 6700 CFS with increases up to I believe it's
 22 8500 CFS in some winter months.
 23 If appropriate actions were put into place such
 24 as channel dredging, barriers, improved fish screens it
 25 might be possible to increase that permitted pumping plant

1 capacity up to physical capacity and realize some moderate
2 gains in water supply opportunity.

3 One point I'd like to make about this is that
4 without increased system storage the magnitude of those
5 benefits are really constrained by the ability of local
6 water users to accept water outside of their normal
7 delivery schedules and store this water in local surface
8 water reservoirs or groundwater basins.

9 The third action I've listed here is
10 construction of an isolated conveyance facility.

11 In and of itself an isolated facility doesn't
12 generate any new water but adjustments in Bay-Delta
13 standards associated with a facility might create an
14 additional water supply opportunity.

15 In particular, under the existing water quality
16 control plan the export ratio built into the plan is
17 designed to reduce the effects of entrainment caused by
18 South Delta pumping.

19 If those diversions are moved from the South
20 Delta up to the Sacramento River then it's possible that
21 there might be an adjustment in that standard and there
22 might be this kind of level of water supply opportunity
23 associated with that adjustment.

24 The final action that I have identified here is
25 storage, increase in groundwater storage and surface water

1 cubic feet per second mean daily flow event in the river in
2 any given water year.

3 As you can see that has a pretty significant
4 impact on the potential benefits and this probably needs
5 more study but at any rate I think we can show that there
6 are fairly significant potential benefits associated with
7 storage.

8 So now we take those potential actions and
9 bundle them back into our alternatives and you can see once
10 again now I've got cumulative benefits which might be
11 accrued by combining some of these actions together.

12 Under alternative one you see again a potential
13 for moderate increases in water supply based on this
14 potential increase in permitted capacity of banks pumping
15 plant. You add storage and you firm up and add to those
16 potential water supplies.

17 One interesting thing here if you notice, we
18 don't show any difference between potential water supply
19 opportunities between alternative one and alternative two.

20 It's based on the assumption that Bay-Delta
21 standards would not be different between those two
22 alternatives.

23 I think that there may be an oversimplification
24 here in the fact that under a through-Delta type operation
25 there may be reductions in carriage water.

1 storage can provide water supply opportunity in two primary
2 ways.

3 First of all, by inserting surplus flows for
4 release during times of need and, second of all, by
5 providing opportunities to shift Delta pumping away from
6 times most sensitive to fisheries.

7 For this evaluation we've used 4.75 million
8 acre feet of storage, a relatively large amount, and that
9 storage consists of a quarter million acre feet of
10 groundwater storage in the Sacramento Valley, a half
11 million acre feet of groundwater storage in the San Joaquin
12 Valley, two million acre feet of offstream surface storage
13 off the Sacramento River and two million acre feet of off
14 aqueduct surface storage south of the Delta.

15 In this evaluation we looked at two potential
16 diversion rules.

17 Under the first case which provides the upper
18 end of the benefit water is diverted into storage whenever
19 there is surplus flows in the system above and beyond
20 existing Bay-Delta standards, in-stream flow requirements
21 or navigation requirements.

22 In the second case we have included a more
23 constraining criteria to preserve those peak flows that
24 Lester was showing us earlier and under that criteria we
25 wouldn't divert into storage until we achieved a 60,000

1 The carriage water issue, of course, is subject
2 to a lot of debate right now and at any rate it probably
3 wouldn't be a significant amount of water, anyway.

4 We do see an overall increase in potential
5 water supply opportunity with alternative three and that is
6 primarily associated with the concept of adjusting the
7 Bay-Delta standards associated with reducing entrainment
8 effects of south Delta diversions.

9 MS. McPEAK: We've got Alex and then
10 Roberta.

11 MR. HILDEBRAND: I am a little puzzled by
12 your figures here.

13 Correct me if I'm wrong, but I think that
14 except for the storage item the other items have to do with
15 increased capability of exporting water.

16 They don't actually represent any increase in
17 the overall yield of the Central Valley. So that if you
18 export more somebody is getting less.

19 Is that not the case?

20 MARK COWAN: Certainly, if you look at it
21 from a mass balance point of view the idea that --

22 MR. HILDEBRAND: I think we have to -- you
23 ought to label this then water supply for South -- for
24 State and Federal exporters and then you should show who
25 gives up that water.

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1 Now, even if the case of your storage item I am
2 under the impression that part of that is increased yield
3 for the overall system by virtue of the storage and part of
4 it is an increased capability to export it because you can
5 shift the time that it arrives in the Delta.

6 So again probably not all of that storage item
7 is new water. Part of that may also be taken from others
8 but I am uncertain about that.

9 CHAIRMAN MADIGAN: Go ahead, Lester.

10 EXECUTIVE DIRECTOR SNOW: Let me respond
11 and, Mark, feel free to correct me if I'm not saying this
12 right.

13 But the water that shows up here as increased
14 water supply is related to those charts we showed earlier
15 capturing the higher flows, the uncontrolled flows in wet
16 and above normal years and so conceptually in that
17 situation who you are taking the water away from in that
18 case would be Delta outflows in those higher flow years.

19 You are not taking away from Sac Valley
20 agriculture, for example, to make higher exports. You are
21 trying to deal with that hydrograph in the difference
22 between years.

23 Is that fair to say?

24 MARK COWAN: Yeah, I believe that these
25 two -- the general philosophy is the same between both of

1 that this is where the water will go or should go but this
2 is what storage and conveyance changes can produce and
3 yield for everyone's benefit and who gets it is clearly on
4 the table.

5 The other thing just to point out in terms of a
6 mass balance which we're not trying to do, this really
7 doesn't do it.

8 We've got two million acre feet of unmet
9 demands on the system right now in dry years.

10 At best you've got a million acre feet here so
11 this isn't going to clearly solve California's water
12 problem nor am I saying we should be doing that but that's
13 just a perspective comment.

14 And the other thing about Roberta's comment
15 about standards, some of the current ones certainly relate
16 to where the pumps are now and, for instance getting
17 San Joaquin flows past those pumps so the fish get benefit.

18 If you move that location, obviously you'd want
19 to revisit standards like that because this condition you
20 are controlling for no longer exists.

21 MS. MCPEAK: Could you explain that?

22 Why?

23 I understand the words. I'm not sure I
24 understand the premise.

25 MR. BUCK: Well, one of the worries

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1 these types of increases.

2 In one case you are using south of Delta
3 storage or local storage to capture those surplus flows and
4 in the second case you are using system storage to capture
5 those surplus flows.

6 CHAIRMAN MADIGAN: Roberta and then Byron.

7 MS. BORGONOVO: My question was that if
8 you took a look at the alternative three and you have the
9 same Delta standards does that move everything down again?

10 MARK COWAN: Sure.

11 And, in fact, with -- if you left exactly the
12 same Bay-Delta standards in place, you could see water cost
13 with an isolated facility.

14 Currently flows that go to meet Rio Vista flow
15 standards can in some cases be sort of shuttled around and
16 diverted from South Delta pumps and, you know, if the
17 standards were not changed at all then operation of an
18 isolated facility could result in reduced water supply.

19 CHAIRMAN MADIGAN: Byron.

20 MR. BUCK: A couple of points.

21 On Alex's what appears here looks like it's an
22 analog using the State and Federal projects for supply
23 benefits based upon a storage and isolated facility.

24 Those could be split to a number of user groups
25 including the environment so I don't think you're implying

1 certainly is if you are trying to create San Joaquin flows
2 and other people in the audience know this better than me
3 and on staff that you are trying to create fish flows and
4 get the fish out into the system and not get --

5 MS. MCPEAK: Fish flows, not just San
6 Joaquin flows.

7 MR. BUCK: Right, but in this particular
8 case on the San Joaquin River.

9 You don't want them to get pulled into the
10 pumps. If the pumps or the location is not there you don't
11 have that worry anymore so you don't need a standard at
12 that really addresses that because now you don't have an
13 impediment to getting those flows out into the Delta and
14 out to where the fish need to go.

15 You would have a different standard to address
16 impacts. You might have it wherever that diversion
17 location is so conversely you might have to deal with a new
18 standard for a screen facility up on Hood when you've got
19 eggs and larvae coming by you might not want to be pumping
20 during those periods.

21 So you would both change existing standards and
22 probably create new ones based upon the new system that
23 you've configured.

24 MS. MCPEAK: Well, I guess what -- the
25 reason I was questioning that, Byron, is that it's not just

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1 San Joaquin river flows although that's very important and
2 we don't want to see that impacted but in terms of what is
3 now spring outflow for the null zone it is not just the
4 San Joaquin.

5 In fact, it is the Sacramento that is far more
6 a factor.

7 MR. BUCK: Oh, clearly.

8 Some of those things you probably wouldn't
9 change x2.

10 There probably isn't much of a rationale but
11 some of the local standards deal with local conditions
12 where the pumps are you would look at but a lot of the
13 other standards would not change and I don't think
14 (inaudible).

15 MARK COWAN: You are doing a great job,
16 Byron.

17 MS. McPEAK: Well, I'm not sure. I'm glad
18 to hear you say that but I'm not sure.

19 I just had that discussion with Lester, too.

20 CHAIRMAN MADIGAN: Roberta.

21 MS. BORGONOVO: What happens with x2?
22 I mean, if you -- is it affected?

23 MR. BUCK: Under this assumption x2 would
24 remain the same or the standard for x2 would remain the
25 same.

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1 MARK COWAN: For all alternatives, yeah.

2 There wouldn't be a rationale for facilities to
3 changing x2.

4 MS. BORGONOVO: I guess what I'm asking is
5 if you didn't change the import and export ratio would you
6 increase the numbers, the days of x2?

7 MARK COWAN: You might do that.

8 The rationale would be different but it
9 wouldn't address the same issues but that's certainly
10 possible.

11 CHAIRMAN MADIGAN: Lester.

12 EXECUTIVE DIRECTOR SNOW: Let me add on
13 this issue because it's an important one.

14 It's certainly one that we'll probably discuss
15 some tomorrow but certainly at the December meeting, also.

16 The current operating criteria of the accord
17 which has inflow and export ratio on the x2 were all
18 designed in the context of the current configuration of
19 pumping pattern to the Delta.

20 The extent to which you modify that you have to
21 take a look at what you would change to accommodate the
22 change in structure of the Delta and so that's one of the
23 issues that's embedded in this is having to figure out if
24 you moved particularly under alternative three or almost
25 exclusively under alternative three significant diversion

1 capacity from South Delta to the Sacramento River you have
2 to revisit what are the protective standards that you would
3 have to operate under.

4 CHAIRMAN MADIGAN: Sunne.

5 MS. McPEAK: I understand those words.

6 I still am having difficulty understanding what
7 you then contemplate as the impact on the Estuarian
8 environment and that's exactly the issue, Lester, that we
9 got -- were in 1980, '81, '82 and, you know, this notion of
10 more efficient delivery, a saving of the carrying water but
11 still did not take into account what it was going to
12 require for maintaining a healthy Estuarian environment.

13 Now, that's what this program is ostensibly all
14 about.

15 I then heard you when you were trying to answer
16 my question off line which I appreciated, you talked about
17 moving habitat further into the Delta which would
18 allow -- am I understanding that answer right -- null zone
19 to be moved farther east.

20 Is that what's being discussed here?

21 EXECUTIVE DIRECTOR SNOW: Let me just
22 start with the first point, the first issue you were
23 raising.

24 Where we have to end up with this, whatever it
25 is that we change we have to have a healthier aquatic

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1 environment than we have today.

2 That's a given and so we are doing a lot of
3 things to accomplish that, physical restoration of habitat,
4 screening diversions, et cetera, and so when we talk about
5 any alternative that changes the configuration of the Delta
6 we need to revisit what it takes to balance the system as
7 it were and have a healthier aquatic environment. And so
8 we have to relook at those issues.

9 MS. McPEAK: I understand. I understand
10 those words. Truly, I think I do.

11 But it is counter-intuitive to me that when you
12 are revisiting the notion of a healthy ecosystem in the
13 estuary, that you would expect by moving the diversion
14 farther upstream up north that you get -- that you have
15 less need or have less of an outflow. It's exactly the
16 opposite as far as I can tell.

17 MARK COWAN: If I could respond to that.

18 I wasn't suggesting that you change the outflow
19 requirements at all.

20 What I'm talking about is the export inflow
21 ratio which is specifically designed to reduce the effects
22 of South Delta entrainment.

23 MS. McPEAK: Okay.

24 MARK COWAN: So outflow requirements would
25 remain constant and in fact in this evaluation we've used

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1 the same x2 requirements and outflow requirements under
2 both assumptions.

3 MS. BORGONOVO: I guess we are going to
4 have to have a detailed description of this because isn't
5 the outflow what the x2 is based upon?

6 Isn't x2 based upon how much outflow and the
7 position of it?

8 MARK COWAN: Yes. I'm sorry if I --

9 MS. BORGONOVO: I mean, I guess I go back
10 to Sunne's question and that is if you don't change the
11 export import ratio you get more export.

12 Therefore, you are going to increase the number
13 of x2 days and you are going to keep it further out into
14 the Delta and so I think you're right, Lester, when you
15 talk about if you have these different configurations then
16 you go back and you look at the standards but when the
17 standards are so hard fought it's part of the worry about
18 how you scope that null zone there where you have habitat.

19 EXECUTIVE DIRECTOR SNOW: well, I think
20 maybe I'm causing confusion by shorthand and just using the
21 term standards or Delta operating criteria.

22 Those operating criteria go way beyond x2 and
23 Mark is correct that all of our modeling assumes the
24 current x2 is in place for all of this analysis but there
25 are lots of other provisions in the accord inflow export

1 isolation of the diversions as you are currently achieving
2 now with this relationship between inflow and export.

3 Now, that does not speak to the concerns about
4 flow into the Bay, an annual flow into the Bay.

5 We've dealt with that in part by this
6 constraint that says you don't divert to offstream storage
7 until you've had one of these fairly significant flow
8 events which is designed to simulate the natural
9 hydrographic pattern and create those mechanisms in the Bay
10 that create the freshwater lands and all of those physical
11 processes.

12 Another thing that seems to get overlooked in
13 this issue is we are very much concerned about brackish
14 water habitat.

15 In the ERPP habitat targets we will
16 substantially increase the aerial extent of x2 habitat by
17 opening up a number of acres that are currently diked to
18 tidal influence, thus creating the shallow water tidally
19 influence habitat irrespective of what the flow is.

20 And some of that will be done in the Suisun Bay
21 Area. Some of it will be further upstream.

22 Frankly, that was more than natural
23 availability of that habitat type before we started
24 significantly modifying the system so just the habitat
25 targets in the ERPP will create more spatial extent of the

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1 ratio and the ratio at Vernalis to export pumping that if
2 you change the configuration of the Delta you would want to
3 revisit those.

4 Dick, do you want to add?

5 MR. DANIEL: Another way of looking at it
6 is the accord dealt with two issues.

7 It dealt with habitat which is reflected in x2
8 and it also used inflow export ratios to try and reduce
9 entrainment during critical periods.

10 It's not unlike what I was talking about a
11 little bit earlier with regard to the relationship of the
12 ERPP flows and the 800,000 under B(2).

13 There are many instances during the year even
14 in some drier years when x2 is wonderful. It's way down
15 into the Bay. We have the optimal amount of x2 type
16 habitat but the exporters are constrained by the ratio of
17 inflow to export in order to reduce entrainment.

18 If we build effective screens, if we build an
19 isolated facility the degree to which we have to use flow
20 to offset the impacts of entrainment is reduced and I give
21 you a very quick sketchy outline of how that works and
22 frankly it's fairly intuitive in terms of the way we are
23 developing the program so it could turn out that the same
24 level of protection, same level of protection can be
25 achieved with a fish screen but with some degree of

1 null zone.

2 CHAIRMAN MADIGAN: Sunne.

3 MS. MCPPEAK: Dick, let me try to ask two
4 questions about outflow.

5 During what time of year is outflow most
6 critical for positioning the null zone as we now know the
7 habitat?

8 MR. DANIEL: I wish I could give you a
9 well-informed answer.

10 It is most frequently not positioned during the
11 latter part of the spring. That's when the water projects
12 have the ability to start capturing water and putting it in
13 storage.

14 That's post flood control operations. That's
15 when the hydrograph is probably most effective by water
16 project operations.

17 MS. MCPPEAK: And during what time of year
18 is outflow most needed to counteract entrainment?

19 MR. DANIEL: At the time -- it's a direct
20 relationship between the amount of water you are exporting.

21 MS. MCPPEAK: Am I right to conclude that
22 it's basically the same times?

23 MR. DANIEL: Very often.

24 MS. MCPPEAK: Okay. That's the problem I'm
25 having with this discussion.

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1 MR. DANIEL: That's the conflict in the
2 system.
3 MS. McPEAK: No kidding.
4 MR. DANIEL: The demand overlaps at the
5 same time.
6 MS. McPEAK: Yeah.
7 Therefore, the discussion we just had about
8 reconfiguration of the intake, the Delta transfer mechanism
9 might allow some reexamination of flow needed for
10 entrainment I conclude is really going to have a
11 similar -- I mean, a similar concern or a coincidental
12 concern about flow on null zone positioning.
13 MR. DANIEL: One of the ways that this
14 works, one of the ways that we are looking at this, is that
15 if you can increase the safe export capacity in the Delta,
16 the volume of water per unit time that you can move out of
17 the Delta and if you have a place to put it south of the
18 Delta, you can capture more water during the periods of
19 very high flow when entrainment is not a concern, when x2
20 is not a concern, put it into storage and use that to
21 offset exports that would ordinarily happen during this
22 critical spring period and rebalance the system in that
23 way.
24 MS. McPEAK: Absolutely, for which I've
25 said that for 14 years.

1 Luis is already full and you don't have any place to put it
2 in?
3 MARK COWAN: I'm not sure I can make that
4 characterization right now.
5 I'm not sure I'm making this connection. I
6 apologize.
7 What the operation studies have shown us that
8 we have conducted so far is that you can relax the export
9 ratio and maintain x2 to its current level and gain a small
10 amount of water supply.
11 It's not a significant amount we are talking
12 about here, you know, I think it showed a couple hundred
13 thousand acre feet on average. That occurs quite a bit in
14 some wet years, probably not very much in dry years and
15 critical years.
16 MS. McPEAK: Simply by the reconfiguration
17 of the intake or by the addition of the storage?
18 MARK COWAN: Simply by the reconfiguration
19 of the intake.
20 MS. McPEAK: Right.
21 And all I'm saying is it makes no sense because
22 the assumption that you are making -- I am understanding
23 the assumption you are making is the savings in the water
24 now used to counteract entrainment.
25 However, that most often occurs at the very

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1 Those times happen to be the end of January,
2 February, March. They are not the times of the year we are
3 talking about and I don't get what has just been put up
4 here in your explanation.
5 Those hydrographs are not happening at the time
6 that you are assuming we are going to capture water because
7 we are not using it to offset entrainment.
8 MR. DANIEL: I'm not sure I follow you.
9 It is the January, February, March time frame.
10 MS. McPEAK: Right.
11 MR. DANIEL: Where we typically experience
12 a flow event that's a result of a fairly good size storm.
13 Very often in our system now San Luis Reservoir
14 is full --
15 MS. McPEAK: You need to have a place to
16 put the water, you have to have a big enough straw, you
17 have to be able to suck it up fast, all of that I get.
18 I just don't understand those numbers and the
19 reconfiguration of the Delta without flows during the
20 springtime.
21 MR. DANIEL: Mark, is it because you are
22 assuming the existing standards relative to inflow and
23 export or you find when you run the operation using
24 existing facilities south of the Delta for offstream
25 storage that very often when that water is available San

1 same time that the outflow is needed to position the null
2 zone. So reconfiguration of the outtake alone does not
3 translate to me to be the savings in water.
4 A storage system and the facilities that are
5 needed for what Dick laid out I totally agree but you are
6 taking it at a different time of the year.
7 MR. YAEGER: Let me try this one. Maybe
8 the third time is a charm here.
9 We need to I guess define the circumstance we
10 are talking about.
11 We are only looking in this analysis at a dual
12 facility and the opportunities for revising the way that
13 the export ratio would affect the amount of water you could
14 move through an isolated facility, part of the dual.
15 The reason is that, as Dick expressed earlier,
16 the entrainment effects are reduced by moving water off the
17 Sacramento River above Hood or Freeport and the assumption
18 has been made that enough water will still move down the
19 Sacramento River to maintain the location of x2 to meet
20 that standard and additional water will be brought in out
21 of, for instance, upstream reservoirs to fill the isolated
22 facility at that additional export ratio.
23 So you are adding water out of upstream storage
24 during those months in which you have the opportunity to
25 move water to the isolated facility and storing it longer

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1 after the flood control reservations are over in the April,
 2 May time frame.
 3 So it's -- I know it's not --
 4 MS. McPEAK: To do that you have to be
 5 able to release about twice as much water.
 6 I understand what you just said which is
 7 different than what's been said but that means that you
 8 have enough water coming down to fill the isolated facility
 9 and to still have outflow in the spring.
 10 MR. YAEGER: Yes, sufficient outflow to
 11 meet the x2 standards. That's what's been assumed in that
 12 analysis.
 13 MS. McPEAK: How much more water is that
 14 than outflows and is that truly the capacity of the bypass
 15 in the Sacramento River?
 16 MR. YAEGER: Could you repeat that
 17 question?
 18 I didn't understand.
 19 MS. McPEAK: Well, it's more water, then
 20 you have to be releasing more water to do that, right?
 21 Mr. Chairman, I apologize I'm just going to
 22 shut --
 23 CHAIRMAN MADIGAN: Keep going.
 24 MS. McPEAK: You want me to keep going?
 25 CHAIRMAN MADIGAN: It's an important

1 that that you would be moving?
 2 MR. YAEGER: Well, under the smaller dual
 3 facilities, smaller isolated part of that would be moving
 4 5,000 CFS through the isolated part of the system,
 5 maintaining river flows downstream of Hood in the
 6 Sacramento River sufficient to meet the x2 standards and
 7 all of the other Delta standards.
 8 MS. McPEAK: Okay. Translate that into
 9 how much more water percentagewise in a given 24 hour
 10 period that you'd have to be able to move.
 11 CHAIRMAN MADIGAN: Byron.
 12 MR. BUCK: What I'm hearing the question
 13 is you are saying is there enough capacity in the
 14 Sacramento River to both handle the outflow needs in the
 15 water that's going to move through the isolated facility in
 16 say April, May, June or whatever and my understanding it's
 17 about 200,000 acre feet of main channel capacity maybe a
 18 little less on the Sacramento River.
 19 It will be flowing nowhere near that amount to
 20 maintain x2 and serve largest isolated facilities so I
 21 don't see main channel capacity being a problem at all.
 22 Walter may still be here.
 23 He could verify that for me but there is quite
 24 a bit of capacity in the river before you ever even have to
 25 get to using Yolo Bypass or something in a flood flow

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1 question, yeah.
 2 MS. McPEAK: It seems to me that what I
 3 heard you say is okay you are going to still have the
 4 outflow during the springtime.
 5 We are saving the water that's not any longer
 6 needed for counteracting entrainment at the pumps. But you
 7 still will have enough water to meet x2 outflow null zone
 8 positioning and fill an isolated facility. Is that what
 9 you just said?
 10 MR. YAEGER: That's right.
 11 MS. McPEAK: Okay. That means to me that
 12 you have to be able to release more water than is now
 13 released and convey it down the Sacramento River so it goes
 14 both through the isolated facility and out the Golden Gate.
 15 MR. YAEGER: That's right.
 16 MS. McPEAK: And you have that capacity.
 17 MR. YAEGER: It's a timing issue. And it
 18 requires that upstream storage to be able to shift the
 19 timing to make that happen.
 20 MS. McPEAK: But it also requires that you
 21 are at the same time moving more water so that apparently
 22 there is more capacity in the Sacramento River at least
 23 down as far as Hood to be able to do that?
 24 MR. YAEGER: That's right.
 25 MS. McPEAK: And how much more water is

1 situation.
 2 MR. YAEGER: You know, the flood flow
 3 capacity of the Sacramento is about a hundred and ten
 4 thousand CFS.
 5 MR. BUCK: Okay. It's slower now, but
 6 that's still much more than you've got flowing.
 7 MR. YAEGER: You've got 600,000 in the
 8 Yolo Bypass so, you know, at flood peaks it's not a
 9 problem. Where the EI ratio becomes a problem is when you
 10 get on the margin.
 11 MS. McPEAK: Okay. Thank you.
 12 I appreciate your indulgence. I'll try to go
 13 learn something.
 14 CHAIRMAN MADIGAN: It's important.
 15 Roberta.
 16 MS. BORGONOVO: I just want to go back to
 17 why Sunne is asking all the questions?
 18 We talked before about whatever happens in
 19 CalFed there has to be something that's easily explainable
 20 to the public and the public has to understand it and so, I
 21 mean, we're the public, I'm the public and I don't
 22 understand it and I followed it for a long time.
 23 So I think it still goes back to the question
 24 of understanding exactly what the inflow outflow ratio is.
 25 It goes back to the question of how much water does flow

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1 out through the Bay, when does it flow out through the Bay
2 and I think it also goes back to the question that Eric
3 posed over whether you have storage in conveyance and you
4 are benefiting the environment.

5 I think that you are lessening the impacting
6 the impact of human use on the system but that's on not the
7 same as benefiting the environment and it's where this
8 position really comes from the environmental community that
9 if you're having storage and conveyance you are not going
10 to enhance the environment over what it was.

11 You are going to lessen the impacts. So it's
12 part of this philosophical debate that we've been having
13 that I think is also important for people to understand so
14 they know where the two sides come from.

15 CHAIRMAN MADIGAN: Okay. Byron.

16 MR. BUCK: There is an assumption in the
17 documents that we are having a third split of new storage
18 that would go to the environment so that water that would
19 be in storage would be available for additional flow
20 measures so you can indeed benefit the environment.

21 What was kind of assumed up here is that it was
22 all lumped up together into how much yield can you create
23 to the system.

24 Certainly, a portion of that can be used for
25 environmental flows that otherwise you can't get.

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1 CHAIRMAN MADIGAN: Alex -- oh, I'm sorry.
2 Bob first and then Alex.

3 MR. RAAB: I'm questioning what I think is
4 an assumption.

5 We are told that when you have high flow events
6 and you get above say 60,000 CFS in the Sacramento, then
7 you start taking water out of the Delta and putting it into
8 the offstream storage facility and that does lower the
9 plume and the amount of water that flows into the Bay and
10 the assumption is that is that has no bad effects.

11 The assumption is that once you get above a
12 certain flow in Sacramento there is no problem in the Bay
13 with diminishing the inflow.

14 There is an assumption that these high flows
15 which come in certain years and not in dry critical years
16 aren't important to the South Bay.

17 I just wondered what kind of studying has been
18 done to hold this assumption if it is only just an
19 assumption.

20 MR. YAEGER: Bob, to repeat what we said
21 earlier on this issue we have not yet completed the studies
22 but one of the studies that we are going to do is to look
23 at the effects on San Pablo Bay and the stratification
24 issues in the South Bay of moving water into storage, into
25 offstream storage on the Sacramento River so we are going

1 to look at that issue. We don't have an answer for you
2 right now.

3 CHAIRMAN MADIGAN: Where am I?
4 Alex.

5 MR. HILDEBRAND: Have you made an analysis
6 of the difference in water quality in the central Delta
7 between alternative two and three?

8 I agree with Michael Spear that we really don't
9 care about some changes in salinity that are below the
10 threshold where they make any difference and that's why I
11 didn't like to see figures for the South Delta that I think
12 are getting down in that range but I don't think we are
13 realistic.

14 But in the Central Delta in those subirrigated
15 peat soils you need very high quality water more than we
16 need in the South Delta and it hasn't been a problem very
17 much because the Sacramento River water is being drawn
18 through the Central Delta under the present system and
19 would be under any through-Delta system but if you put in
20 an isolated facility then you are going to reduce that
21 to -- or eliminate at times that cost flow and you'll also
22 eliminate any mixing of the South Delta of the San Joaquin
23 River water that's coming in so in effect you deliver the
24 San Joaquin salt load right on down to the Central Delta
25 and it would appear to me that their water quality would be

1 substantially degraded and might well be degraded beyond
2 the point where it is indeed a problem.

3 MR. YAEGER: The answer to that I think is
4 yes, we've looked at that.

5 I'd ask Rick to come back up and put his
6 overhead up that displays that.

7 RICK WOODARD: Alex, I don't know.

8 I haven't been able to locate the overhead in
9 question, but I think clearly an isolated facility would
10 have some detrimental impact on the quality of water in
11 eastern and Southern Delta channels.

12 Now, hopefully, today we will get around to
13 talking a little bit about how that might be addressed.

14 CHAIRMAN MADIGAN: Only over cocktails.

15 RICK WOODARD: That works for me.

16 Alex, we think for instance that the diminished
17 salt load that would occur into the San Joaquin Valley as a
18 result of an isolated facility would have a major
19 improvement or have a major positive effect on mitigating
20 otherwise deteriorated conditions due to the presence of
21 the isolated facility and also we are thinking pretty hard
22 with the inter-Agency development team about the concept of
23 supplying some of those needs from a facility which in turn
24 would then provide much better quality water for that to
25 the Delta agricultural interests or at least some of them

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1 and we think that the discharges from those islands would
2 then be better quality than would otherwise be the case.

3 So between those two concepts of improving the
4 salt or reducing the salt load in the San Joaquin system
5 and possibly supplying some of those interests from an
6 isolated facility, we think that it's quite possible that
7 we can eliminate those problems to a very large degree.

8 MR. HILDEBRAND: I'd like to see that
9 analysis as you develop it.

10 I haven't forgotten that when they wanted to
11 build the Peripheral Canal in the old days that they wanted
12 to have us pay for all of the water we got, take away the
13 water we had, rechannel the water supply and charge us for
14 giving us any water out of the canals.

15 CHAIRMAN MADIGAN: They are treating you
16 like an urban area. That's kind of ugly.

17 RICK WOODARD: Well, it's clearly a case
18 that we are going to have to do a number of these kinds of
19 analyses and it will be iterative to some extent because
20 until we define the size facilities we are talking about
21 and how they might be operated and a number of other
22 parameters surrounding the alternative it wouldn't be
23 possible to really get very precise information about what
24 those effects would be and how they would be best mitigated
25 but that's something that's definitely what we'll be doing.

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1 CHAIRMAN MADIGAN: Okay. In three minutes
2 the sound system gets dismantled.

3 Mary, what would you like to tell us about
4 tomorrow?

5 MS. SELKIRK: Here's the proposal:

6 That we reconvene at 8:30 in the morning when
7 Lester and with Steve Yaeger.

8 We'll do a short talk about the emerging
9 significant policy trade-offs that have come out of this
10 whole distinguishing characteristics analysis that you've
11 heard about today as an entree into three small group
12 discussions on the trade-offs because that's really what we
13 want to hear from BDAC members about before you see a
14 preferred alternative, is what are the really significant
15 trade-offs that you are specifically concerned with.

16 What that does is that it cascades into about a
17 full day meeting tomorrow. We'd probably be adjourning
18 around 2:45 tomorrow.

19 We will have lunch provided and a revised
20 Agenda will be available for you in the morning but start
21 time will be the same.

22 CHAIRMAN MADIGAN: No, the start time will
23 be an hour earlier, at 8:30. Well, it will be the same as
24 Noticed.

25 MS. SELKIRK: Start time will be the same

1 as Noticed.

2 CHAIRMAN MADIGAN: Excuse me, right.

3 MS. SELKIRK: It means that the
4 presentation on B(2) will take place after the small groups
5 meet.

6 CHAIRMAN MADIGAN: Hap.

7 MS. SELKIRK: And everything else
8 thereafter.

9 MR. DUNNING: You are putting over the
10 discussion groups but in looking at what you have for
11 tomorrow it seems to me some of the time allocations are
12 very unrealistic. 30 minutes for B(2) and 30 minutes for
13 HCP particularly strike me and, you know, I don't think
14 2:30 is really a full day.

15 Don't you think we are going to need some more
16 time on some of those other critically important items?

17 MS. SELKIRK: Well, we certainly have it
18 if we need it. Those were estimates and obviously our
19 estimates have been off today.

20 MR. DUNNING: I'd suggest that we plan
21 right now to go much later than 2:30 if we are going to do
22 all of those things.

23 MS. SELKIRK: Okay.

24 CHAIRMAN MADIGAN: Ann.

25 MS. NOTTHOFF: I just want to point out

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1 that I think that since we sent this Agenda out to the
2 public I am aware a couple of people anyway who are
3 planning on coming to the meeting specifically to discuss
4 items two and three on tomorrow's Agenda.

5 They are going to be here at 9:15 and had
6 probably planned to be able to take care of their business
7 and leave at 10:30.

8 MS. SELKIRK: Well, I've called three
9 people on this who I know were intending to be certainly
10 here for item two.

11 MS. NOTTHOFF: Oh, you have?

12 MS. SELKIRK: Yeah.

13 MS. NOTTHOFF: And did you give them a new
14 time?

15 MS. SELKIRK: Yes.

16 MS. NOTTHOFF: What time did you give
17 them?

18 MS. SELKIRK: I estimated that B(2) should
19 be on the Agenda around 10:30 tomorrow.

20 MS. NOTTHOFF: Okay.

21 MS. SELKIRK: And that's the best we can
22 do. I don't know what else we can do.

23 MS. NOTTHOFF: Except if we get here at
24 8:30 and there are a lot of people here that are planning
25 to talk I was just going to say we might have to kind of

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1 see what the audience looks like in the morning.
 2 CHAIRMAN MADIGAN: Probably we'll have to
 3 provide cookies or something, help them with their mood, a
 4 little sugar perhaps.
 5 Well, you have all been extremely patient and
 6 participatory I might say and productive which I too would
 7 not stint in my recognition of which I would not stint in
 8 my recognition.
 9 We have a comment?
 10 Yes, Supervisor.
 11 MR. MEACHER: Is this the beginning of a
 12 potential sequestering of this body?
 13 CHAIRMAN MADIGAN: Sequestering of this
 14 body, no.
 15 I'm speaking in my opposition to that, I'll
 16 tell you.
 17 MR. MEACHER: This is a test tonight to
 18 sequester this body. I can see it. In January the
 19 Governor is going to sequester us.
 20 CHAIRMAN MADIGAN: Great.
 21 All right. This has been -- thank you all very
 22 much. We'll see you tomorrow morning at 8:30.
 23
 24 (Whereupon the BDAC Meeting recessed at 5:00 p.m.).
 25 ---OOO---

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 2 COUNTY OF SAN JOAQUIN } ss.
 3 I, SUSAN PORTALE, Certified Shorthand
 4 Reporter of the State of California, do hereby certify:
 5 That on the 4th day of November, 1997, at
 6 the hour of 9:44 a.m., I took down in shorthand notes the
 7 said Bay Delta Advisory Council Meeting; that I thereafter
 8 transcribed my shorthand notes of said Meeting by
 9 computer-aided transcription, the above and foregoing being
 10 a full, true and correct transcription thereof, and a full,
 11 true and correct transcript of all proceedings had.

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4 BAY-DELTA OVERSIGHT COUNCIL)

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ORIGINAL

TRANSCRIPT OF PROCEEDINGS

Sacramento Convention Center
1416 9th Street - Suite 1155
Sacramento, California, 95814

WEDNESDAY, NOVEMBER 5, 1997

Reporter By :Katherine L. Cardozo, CSR No. 6344

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APPEARANCES:

CHAIRMAN: Mike Madigan

VICE CHAIR: Sunne McPeak

COUNCIL MEMBERS:

Robert Meacher - Regional Council of Rural
Counties
Eric Hasseltine - Contra Costa Council
Steve Hall - Association of California
Water Agencies
Rosemary Kamei - Santa Clara Valley Water
District
Tom Graff - Environmental Defense Fund
Hap Dunning - The Bay Institute
Stuart Pyle - Kern County Water Agency
David Guy - California Farm Bureau
Federation
Roberta Borgonovo - League of Women Voters
of California
Richard Izmirian - California Sportfishing
Protection Alliance
Mary Selkirk - East Bay Municipal Utility
District
Roger Thomas - Golden Gate Fishermen's
Association
Jack Foley - Metropolitan Water District
of Southern California
Howard Frick - Friant Water District
Alex Hildebrand - South Delta Water Agency
Mike Stearns - San Luis Delta Mendota Water
Authority
Marcia Sablan - City of Firebaugh
Bob Raab - Save San Francisco Bay
Association
Ann Notthoff - Natural Resources Defense
Council
Pat McCarty - Delta Protection Commission
Tom Decker - Bank of America
Martha Davis - Sierra Nevada Alliance
Byron Buck - CA Urban Water Agencies
Michael Spear

1 (All parties present, the following proceedings were had
2 at 8:30 a.m.)

3 --oOo--

4 MR. MADIGAN: Goodmorning and welcome to
5 day two of the November meeting of BDAC. We have a full
6 agenda, given the long and I hope productive
7 conversations of yesterday. We have some items that we
8 didn't deal with yesterday and are on the agenda for the
9 first thing this morning and that means that today has a
10 lot of work ahead of it yet. Let's go ahead and get
11 started with the first item on the agenda, which is the
12 development of alternatives and the emerging policy
13 trade-offs. And Lester you're going to introduce this?

14 MR. SNOW: I will start this item. As we
15 discussed I think in our last meeting in September, what
16 we're attempting to do, we formed an interagency
17 development team and group of interagency staff working
18 on these alternatives.

19 And basically their task is to look at the
20 twelve alternatives within the three different
21 approaches, the three categories of approaches, and try
22 to come up with the best performing hybrid in each of the
23 basic approaches.

24 Then after completing that, try to move on
25 to identify what is performing well, what is not

1 performing well and move in to a draft preferred
2 alternative.

3 So we have had that effort underway for
4 some time and we want to start off this morning with Rick
5 Woodard reporting on the deliberations of that group and
6 some of the observations they've made and some of the
7 issues that have been raised. Rick?

8 MR. WOODARD: Thank you, Lester. I would
9 like to mention that a number of the interagency
10 development team members are here this morning to help me
11 take the blame -- I mean share the credit for the work
12 that's been done.

13 And what I'm trying to do is to represent
14 the information that we've been able to pull together so
15 far, and this would reflect the results of our
16 deliberations as of close of business on Monday. So we
17 haven't had a lot of time to organize the input, and I
18 may, it's certainly possible, I would mischaracterise
19 some of this information. And if so, I'd appreciate the
20 IDT members helping me to straighten it out.

21 You may remember yesterday that Steve
22 showed us a diagram of the organizational structure for
23 the IDT that the IDT in general reports to management
24 team to you and to the policy group ultimately for the
25 decision making, and we're the ones who are essentially

1 trying to staff the effort to move toward a preferred
2 alternative.

3 As all of us will recall in phase one we
4 identified three basic alternatives that were screened
5 down to twelve further ones. And we're in the process
6 now, and that's what the IDT is doing is trying to move
7 from the twelve to three that take the best features of
8 the elements of the other alternatives that have been
9 evaluated.

10 We are presently right about at this stage
11 and so that's the thing I'll be talking to you today
12 about. And obviously we will be intending to move from
13 here to being able to recommend a draft preferred
14 alternative in the future and I have a slide showing the
15 schedule that I'll show in just a moment.

16 Note that the basis for moving toward the
17 so-called optimized or hybrid alternatives is the
18 distinguishing characteristics that have been presented
19 in your backup.

20 We had lots and lots of time to pull this
21 thing together, practically hours. As you see at today's
22 meeting we'll be talking to you about the development of
23 the alternatives and of the three alternatives and what
24 we've got done so far on that.

25 At the December BDAC meeting we'll be able
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1 Among in our deliberations it's come clear
2 to us that the issue of fish screens, how to deal with
3 fish, is an extremely important aspect of the program and
4 one that will be reflected in some way or another
5 throughout the alternatives.

6 The questions on whether to screen, how to
7 screen, where to screen, are all extremely important and
8 I think we'll be able to talk to you a little bit more
9 later in this presentation about some of the thoughts
10 we've had on it.

11 Also in terms facility capacities, that
12 probably is not a great shocker, but there are a number
13 of issues having to do with intake capacities, isolated
14 facility capacities, storage capacities. And this is a
15 particularly significant issue, and we're going to try to
16 talk about that in some detail. The storage capacities
17 both are significant issues with respect to surface and
18 ground water.

19 Some of the generalized considerations of
20 the IDT that essentially apply we think to all the
21 alternatives are that if the configuration of the delta
22 is changed, I think there's a consensus on the IDT that
23 it's likely that new delta standards would probably be
24 required.

25 And this is a very important thing because
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1 to come back to you with a -- hopefully with a
2 significantly more well-defined set of three alternatives
3 and then later at the December management team and policy
4 group meetings we'll be going to them with the materials
5 from which a decision would be made.

6 So we will be quite busy and we'll
7 certainly be interested in your comment on a quick
8 turn-around basis on how we can do best with this.

9 I thought it would probably be most
10 instructive to just sort of walk-through some of the
11 considerations, some of the deliberations, some of how
12 the IDT's been thinking about this problem.

13 And we're sort of trying to look at the
14 alternatives in them as a bundle in terms of what they
15 would accomplish. And the IDT feels I think that the
16 ecosystem, water quality, levee rehabilitation, supply,
17 reliability, and assurance as components obviously all
18 have to be addressed in the preferred alternative.

19 That we also recognize that water use
20 efficiency and water use transfers are going to be a
21 critical element of a preferred alternative. And to that
22 end we have put together a sub team of four or five IDT
23 members to do some intensive work on developing a fully
24 adequate water use efficiency and water transfers
25 component to go with the product.

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1 it reflects into how you analyze the alternatives. In
2 the absence of knowing for sure what the operating
3 criteria might exist under the implementation of an
4 alternative. It's extremely difficult to identify the
5 benefits of the alternatives, particularly with regard to
6 better supply benefits.

7 Again there seems to be a recognition that
8 if you change the configuration of the delta, standards
9 would need change. There is some thought on what those
10 standards might look like. But certainly you can't know
11 that for sure until it's done.

12 So this is going to be a continuing
13 discussion within the IDT, and I'm sure within this group
14 and the policy group.

15 Concerning operating criteria, in order to
16 do our analytical work we're going to have to develop
17 some assumed operating criteria and the IDT is working on
18 that presently. And again these operating criteria will
19 be used in our analysis and are necessary to be able to
20 do our analyses. So we're working on those quite
21 intensively at the moment.

22 As I had mentioned earlier, storage
23 considerations are among we feel the most important and
24 complex that need to be addressed in this process. I
25 thought we would just walk-through some of the discussion

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1 or at least the topics that we've discussed on the IDT
2 and give you some idea of some of the essentially
3 trade-offs that we're talking about.

4 We've tried earlier to establish a range
5 of storage silos that would be appropriate to include in
6 this optimized alternative. It's really very difficult
7 we found to come up with a set of numbers based only on
8 technical factors at least. And this problem extends to
9 all the alternatives. And some of those factors are the
10 contribution of water use efficiency to supply, and we've
11 had a little bit of talk about that in BDAC yesterday.

12 Likewise, the contribution of water
13 transfers which is consistent with the need to avoid
14 significant redirected impacts, individual economics,
15 meaning that participants in storage projects will need
16 to have that make sense to them economically and that's
17 something that we're not really able to predict. It will
18 be quite an entity-specific decision to be made.

19 There will obviously be site-specific
20 environmental impacts associated with actual storage
21 projects and of course there are many cost
22 considerations.

23 Other storage considerations that are we
24 feel going to be important in the decision making process
25 are ground water versus surface storage. There are

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1 have local disadvantages. Not necessarily one more than
2 the other. Right.

3 MR. WOODARD: Right. I don't think we're
4 trying to place any value judgements on these. This is
5 just at the reflection of some of the discussion on the
6 IDT, and I don't think we're trying to suggest that these
7 are more or less important considerations, but these are
8 considerations that we've spoken of.

9 MS. NOTTOFF: When you go to surface
10 storage potential disadvantage presumably we're going to
11 see there's local effects there, too.

12 MR. WOODARD: Certainly the environmental
13 effects of surface storage which I discussed, I mentioned
14 briefly in the previous slide, are a very significant
15 factor having to do with surface storage. I think
16 typically the environmental impacts associated with
17 surface storage are considerably more complex than what
18 the -- for an equivalent ground water project. There
19 certainly is that sort of balancing.

20 MR. MADIGAN: Martha.

21 MS. DAVIS: I think it's very important
22 for us at some point to get into this assumptions and
23 this discussion. I understand you're trying to go over
24 some generalization here, but for example, down in
25 southern California, we've had a lot of discussions about

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1 advantages and disadvantages of both. One primary
2 advantage of ground water storage is that it can be much
3 less expensive than development of any sort of surface
4 water storage.

5 A singular disadvantage is that it's
6 slower to operate ground water storage because you simply
7 can't move the volumes as quickly as you can in a surface
8 water environment so that it will by definition tend to
9 be less responsive to water supply and ecological needs.
10 Maybe you can have some timing problems with that.

11 There are potential other disadvantages
12 with ground water storage. However attractive it is
13 there is still the problem of potential local negative
14 effects such as local changes in ground water levels.
15 And experience has dictated to us that it's really quite
16 difficult to put ground water storage projects together
17 because of the ownership of the areas and the control of
18 the waters generally in private hands. So it's not a
19 real simple thing to put these kinds of projects
20 together.

21 MR. SPEAR: In terms of ground water to
22 surface storage, that's what the comparison is, is
23 there's tremendous negative effects locally to surface
24 storage as well. So when you make the comparison, you
25 say one is more than the other? I mean I think they both

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1 the advantages of ground water storage in terms of
2 reliability of water supply, it's important to southern
3 California's economic future.

4 So as I'm looking at the summary of points
5 and I realize it's very cursory, I can see there are some
6 gaps that I'd like to make sure get addressed as we go
7 into a deeper discussion of some of these issues.

8 MR. MADIGAN: Stu.

9 MR. PYLE: I'm kind of concerned about the
10 item you showed on the previous slide regarding storage
11 consideration and you had water use efficiency and
12 transfers as being important in sizing storage
13 considerations, and I would certainly like to see the
14 arithmetic on that.

15 It seems to me just about next to
16 irrelevant as to regard the water use efficiency and
17 transfers when you come to sizing storage. It seems to
18 me what we were seeing in some of the discussion
19 yesterday that the pluses in storage, it's just an
20 additional water for the delta either for an
21 environmental use or for diversion come from storage that
22 there's very little -- very little water to be gained
23 inside the delta.

24 And if you're talking about water use
25 efficiency adding maybe a hundred and fifty thousand acre

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1 feet to the whole equation and if you're looking for
2 let's say a million or maybe three million acre feet of
3 new water to serve uses now and in the future in
4 California how you can honestly say that water use
5 efficiency and transfers, transfers which we haven't even
6 identified, are an important item in solving the storage.

7 It seems to me if you're going for
8 storage, you're going for the maximum of economic storage
9 and these other uses are not going to cause you to look
10 for less storage than you would otherwise have the
11 capability to look for.

12 So I'd like to see the arithmetic why
13 storage, why water use efficiency and transfers are
14 important considerations in sizing storage.

15 MR. WOODARD: Stu, we're still in the
16 process of trying to perform the arithmetic, but I think
17 the purpose of showing the slide previously was to try to
18 indicate there's realization on the part of the IDT
19 members that the overall water supply has to be a mix of
20 ground water conjunctive use of water transfers,
21 potentially reduce demands to improve water use
22 efficiency.

23 So that I guess all we're trying to say is
24 that we think the need for additional surface water
25 storage, as an example, is going to be related to how

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1 Water Conservation Coalition I think we called it.

2 So I think that calculation is important.
3 The one Stu just went to though is: Okay then let's look
4 at the value of storage in and of itself for efficient
5 use for a lot of different purposes, including
6 environmental restoration of flexibility and flows and we
7 need them. And that evaluation or that analysis would be
8 based on what is a economically feasible site.

9 I lament the fact that and I supported
10 vigorously a Los Vicaros (phonetic) Reservoir being
11 constructed in Contra Costa County at the same time said
12 is being undersized and everybody's going to tumble to
13 that eventually, and it is.

14 So I don't want to undersize these things
15 for false reasons. That is storage. So the economic
16 analysis I think I heard Stu ask for would be important.

17 There's a third one that I want to raise a
18 question on and that is relationship to ground water
19 banking, which is what Martha raised. The size of
20 aquifers is huge compared to what we get out of any
21 surface storage. I mean there are several million acre
22 feet possibly.

23 What is important and I don't quite
24 understand is the relationship between being able to
25 capture and hold water against the recharge great. And

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1 satisfactory these other parts of the program can be
2 implemented.

3 MR. MADIGAN: Sunne.

4 MS. McPEAK: I have a follow-up comment on
5 Stu's maybe question to you and then another comment and
6 then a question that will segue to Byron who's going to
7 be I think next in line.

8 Part of what I hear Stu asking, and I
9 think has come up in other dimensions with CalFed is to
10 have some analysis and arithmetic from a couple different
11 perspectives.

12 Clearly the storage question is -- could
13 be looked at with respect to our how do we meet the
14 future demands or needs within California, therefore,
15 offset the impacts, redirected impacts, if you will, as
16 one of the solution principles.

17 In that calculation, looking at what we
18 project to be demands, it's important to look at how much
19 additional supply might be derived from efficiency
20 measures and one that has not been quantified but we
21 spent a whole lot of time back in the early nineties
22 doing was on recycling reclamation. The number I
23 personally use is around seven hundred and fifty acre
24 acre feet over twenty years which is what we delivered to
25 the State Water Control Board on the work of the State

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1 also the conveyance capacity to get to water banks. And
2 that interrelationship I'd like to see done here. And
3 that goes to Byron.

4 Last night he and I were debating well how
5 much more yield or storage could be derived or yield
6 derived from additional storage. And we sort of just
7 briefly talked about ground water banks, capacity. And
8 you recharge them and you've got truly a lot of surplus
9 water. You have to have some place to store it. You
10 have to have a conveyance facility you can use when
11 you're not using it for other purposes.

12 So that analysis of where we've got viable
13 ground water banks, where we're got overdrafts, and
14 relationship of that to the ground water banks and how we
15 then might look at the operation of a system and storage
16 and conveyance related to that I think would be another
17 important analysis to do.

18 UNIDENTIFIED: Maybe I could address your
19 first question first and Stu's questions also and let you
20 know we are working on pulling all these numbers
21 together, water use efficiency numbers, water transfers
22 numbers, storage, putting them all together in a
23 comprehensive water management strategy.

24 We expect I think to be able to share that
25 with you at the next meet and be able to walk you through

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1 the different components of the strategy and what all
 2 those elements contribute to overall water supply.
 3 MS. McPEAK: By December 12th?
 4 UNIDENTIFIED: That's our target, yeah.
 5 Admittedly some of those are still going to be
 6 preliminary, but I think it will give you a sense of the
 7 way we're headed.
 8 With respect to ground water, I guess we
 9 could prepare a little briefing paper that would describe
 10 the recharge rates, the relationship to storage, and
 11 generally it's about one-fourth of the recharge of rate
 12 compared ground water to off-stream storage for instance.
 13 Extraction is an even kind of lesser rate.
 14 Becomes problem with the rate you can bring water out.
 15 So I think it's probably prudent that we count on ground
 16 water storage to work conjunctively with off-stream
 17 storage mainly during drought and dry periods. So that's
 18 the way we're headed, but we can prepare a little more in
 19 the way of briefing there.
 20 MS. McPEAK: Did I understand so it's
 21 essentially four times slower to recharge then to put
 22 water in, to pump it in to surface storage.
 23 UNIDENTIFIED: Yes, as a general rule of
 24 thumb.
 25 MS. McPEAK: Okay.

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1 on ground water level and how would you conjunctively
 2 manage, it's not really an environmental effect but more
 3 of a local water management effect where people with
 4 local well feels that might be effected by conjunctive
 5 management.
 6 MR. WOODARD: That's what I intended to
 7 imply. Sometimes that local effect can be perceived as
 8 well as real.
 9 MR. BUCK: It's a different negative
 10 effect than a storage negative effect.
 11 MR. MADIGAN: Roberta and then Ann.
 12 Remember we have do have break out sessions to talk about
 13 these things in more detail in smaller groups. Roberta.
 14 MS. BORGONOVO: I just wanted to lay out
 15 generally that I know that CalFed is putting together
 16 this integration panel which is trying to meld all of
 17 these different programs, but it's really important that
 18 that be laid out for us BDAC member so we can see the
 19 assumptions on which they are making that integration.
 20 For example, when we were talking about
 21 surface storage, one of the cases that many of us have
 22 made is preference for conjunctive use and water use
 23 efficiency first. And one of those are the huge impacts
 24 to the habitats there will always be those impacts.
 25 That's one of the assumptions we're

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1 MR. MADIGAN: Byron.
 2 MR. BUCK: Actually wanted to talk about
 3 the ground water item first, but I will go back to the
 4 comment that's kind of on the table. I generally agree
 5 with Stu. There's so much unmet demand out there, we're
 6 going to have to do everything we can in conservation and
 7 reclamation that's still not going to get us to the range
 8 where we don't have -- we have a little amount of unmet
 9 demand.
 10 We still have got a huge amount of unmet
 11 demand in looking at our numbers yesterday where we're
 12 producing maybe a million acre feet of yield outside with
 13 storage and conveyance.
 14 We'll still have some unmet demand. I
 15 encourage us to go through that analysis, get those rough
 16 numbers on the table because just the growth of what
 17 we've got going in population we're going to have to be
 18 doing everything we can and there's not going to be any
 19 one single process that's going to get us near to meeting
 20 demands.
 21 But back on the ground water issue, can
 22 you put that overhead back up, the one that spawned the
 23 first comments. I just wanted to clarify.
 24 Just to clarify, the local negative
 25 effects, are you referring to just local negative effects

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1 working under is the ERPP, it's not mitigations that's
 2 one of the common programs. So when you evaluate the
 3 habitat that is taken away by storage, is that being
 4 mitigated over and above and is that impact being shown
 5 over and above the ERPP? I mean, for example, if you
 6 show your --
 7 UNIDENTIFIED: Short answer is yes.
 8 MS. BORGONOVO: You are counting for the
 9 local impact and if you take 40,000 acres out in the
 10 storage you have added 40,000 acres on top of the ERPP to
 11 mitigate for that?
 12 UNIDENTIFIED: We haven't gotten that
 13 specific with it and we won't until we get to mitigation
 14 plans and site-specific analysis. But in general we have
 15 added funding for the cost of the storage facilities to
 16 account for these kinds of land purchases and other
 17 mitigation acts to deal with those terrestrial impacts.
 18 MS. BORGONOVO: Yet we'll see -- that's
 19 what I mean about having assumptions for the integration
 20 let out. Will we see how that is in fact added on to the
 21 ERPP?
 22 UNIDENTIFIED: Don't know the answer to
 23 that question. We'll have to think about that.
 24 MR. MADIGAN: Ann.
 25 MS. NOTTOFF: I think the back and forth

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1 here about what unmet demand we have or what unmet demand
2 we don't have right now Just underscores the need for
3 getting some of the numbers these guys are talking about,
4 and that it in fact is premature to be talking about how
5 some of these trade-offs until we have some of the
6 numbers to really see.

7 I think everybody has -- carries around
8 their own idea of what -- how much water we need to ring
9 out of the system, but we don't have any common basis for
10 that now and we really need to establish that before we
11 can really move on to the trading -- trade-off
12 discussion.

13 MR. MADIGAN: Okay. Bob.

14 MR. MEACHER: Bob Meacher. Just a short
15 one. Some observations from us that the storage
16 component should provide for opportunities to construct
17 new storage that maximize total system reoperation,
18 opportunities upstream and downstream, and size them
19 accordingly and also complements CalFed's water transfers
20 program and includes both surface and ground water
21 conjunctive use components and consider the potential
22 benefits to northern California through north of delta
23 storage in a northern California environment and the
24 water supplies.

25 MR. MADIGAN: Okay. Thank you. Roberta.

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1 as we are moving along we're trying to -- everybody just
2 heard it, but nobody responded to say, "Yes. No. No. I
3 don't think so. It's totally out of the question."

4 At some point we're going to have to maybe
5 not exactly now, but in this process be able to hear
6 those statements and do something with them.

7 MR. MADIGAN: Rick.

8 MR. WOODARD: Further storage
9 considerations. The IDT I think recognizes that the
10 storage requirements are or at least a potentially
11 positive approach to determining storage requirements
12 would be to try to size them based on the need for the
13 water to make the alternative work, which would include
14 the flows you need, the ability, the capacity of your
15 system to move water through the delta and the need for
16 increased supply reliability would be some of the
17 elements of that kind of consideration.

18 And the concept that storage would be
19 identified to supplement water derived from water use
20 efficiency, water transfers, and ground water, and I
21 think you have already talked a little bit about that.

22 You see these storage considerations go on
23 and on, and I think that reflects the importance the IDT
24 has ascribed to these to storage issues as part of the
25 alternative.

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1 MS. BORGONOVO: I want to go back to
2 another issue and this may not be the right time but when
3 I heard the presentations of the CalFed staff we talked
4 about the fact that we're not -- the program is not
5 designed to meet the water demands of California. And
6 when we came into the program we had as one of our
7 objectives water supply reliability.

8 So to me there's a difference between
9 reliability and meeting demands, and at some point I
10 think that's one of those philosophical questions I'd
11 like to see discussed.

12 MR. MADIGAN: Sunne.

13 MS. McPEAK: Rob, you obviously were
14 citing a well crafted policy recommendation.

15 MR. MEACHER: We just developed. My staff
16 just from what we saw here.

17 MR. MADIGAN: Quickly but efficiently and
18 brilliantly.

19 MS. McPEAK: I commend you. I didn't even
20 see it being done.

21 MR. MADIGAN: Unstintingly.

22 MS. McPEAK: Unstintingly. But I wanted
23 to know just note that and suggest that's the kind of
24 maybe statement or policy recommendation that could get
25 some further discussion into the small groups. And that

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1 There's recognition on the IDT that
2 opportunity for sharing the storage benefits needs to be
3 provided to all the major stakeholders. Recognition of
4 the fact that in-delta or near delta storage provides
5 immediate access to flows in the delta. As compared to
6 some other storage locations.

7 And we think that thought may have
8 importance in the future, where it may be possible to
9 engage in realtime monitoring and operation. So the
10 rapidity with which you can utilize storage we think is a
11 consideration of some importance.

12 Just recognition also that if you're
13 compare in or near delta storage to off aqueduct storage
14 south of the delta you're going to tend to get higher
15 yields for a unit reservoir capacity than would be the
16 case on the off aqueduct south of the delta. That would
17 derive from the ability to fill that facility while you
18 are at the same time exporting. Otherwise, you'd have to
19 share export capacity between reservoir and demand.

20 MR. MADIGAN: Okay. Questions? Byron.

21 MR. BUCK: Is the group recognizing the
22 difficulty of moving water off quickly off in-delta
23 storage? I am assuming islands for outflow needs because
24 you have to pump it rather than releasing it in large
25 volumes for reservoir. And additionally are you looking

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1 at the problems with water quality obviously with the
2 delta storage.
3 MR. WOODARD: Yes. That is one issue I'll
4 mention a little bit more later. Some of the potential
5 downsides to in-delta storage would be that you would
6 inundated valuable agricultural land, that there would be
7 a potential causing water quality problems and probably a
8 significant potential. Those problems would relate to
9 organic carbon.

10 Possibly nuisance algae blooms which would
11 be a nuisance with respect to municipal suppliers, not
12 necessarily for ecological interests.

13 The recognition that in-delta storage per
14 se would result in a relatively small volume of water for
15 the perimeter that you'd have to construct in a -- a dam
16 for.

17 But other than those considerations, we
18 feel that whether such storage was located in delta or
19 near delta, the ability to operate it would be similar.

20 Before -- we're going to start getting in
21 now to what we talked about about the alternatives
22 themselves. Before I do that I wanted to just remind
23 everyone that what we've been centering on primarily are
24 storage and conveyance features along with operational
25 features.

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1 factor in our considerations where you have a number of
2 screen experts come in and talk to us about the various
3 best ways of doing things.

4 Based on that, we've decided that it
5 probably does make sense to consolidate the screen system
6 for the SWP and CVP. There seem to be significant
7 efficiencies located or associated with choosing a single
8 place to do that. And little if any as the fishery
9 people tell us in value in having separate screen
10 locations for these state and federal projects.

11 So that is something that I think we
12 pretty well reached consensus on that it more than likely
13 makes sense and it would produce economic efficiencies,
14 too, we believe.

15 Also another thing we've pretty well I
16 think agreed upon is that it would make a lot of sense to
17 have a low head pump facility located behind the screens.
18 In this case the screens would be moved to the head of
19 Clifton Court and you'd have a low head pumps behind the
20 screens and the advantage of that would be that it would
21 enable you to operate the screens at higher efficiency
22 through tidal cycles which is now a problem with tide
23 stages.

24 So we think that this type of screen
25 facility would be overall beneficial and that I think is

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1 That's been the main topic of discussion.
2 The alternatives as they are ultimately fleshed out of
3 will include additional elements such as assurance
4 package, a finance package, that will have components in
5 it that we are not addressing at this stage. Watershed
6 management feature and some others.

7 So I'm trying to mention that what we're
8 putting out here is not intended to appear like the fully
9 fleshed out alternatives, but only to represent what
10 we've gotten done so far.

11 The IDT alternative as it's shaping up is
12 based on 1C which you'll recall was written up in the
13 alternatives report. I will try to walk you through.
14 This is going to be an interesting exercise for someone
15 who can't chew gum and think simultaneously. I'm already
16 off to a great start here.

17 Alternative number one would be based on
18 1C. It would feature an Intertie of the state water
19 project and Central Valley Project at Clifton Court. A
20 15,000 cfs screen intake at Clifton Court, which as we're
21 now looking at it would consolidate the state water
22 project and CVP screen facility and Intake facility.

23 Might digress just briefly to talk a
24 little bit about screens. As I mentioned earlier in one
25 of these early slides, screens has been an important

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1 consistent with the screen committee that CalFed
2 commissioned to provide specific expertise on this.

3 We would with this alternative feature an
4 operable fish barrier at the head of Old River -- I'm
5 sorry at Old River at San Joaquin River. And operable
6 flow control barriers at roughly these locations in the
7 delta to help with stage water levels in the south delta.

8 Storage, we're still working on that as
9 we've gone through that lengthy explanation of all the
10 considerations. We're still working on storage for this
11 and the other alternatives so we don't have anything
12 settled on fully yet.

13 The -- if you'll recall the so-called
14 common programs, we're moving away from that because
15 we're going to be having a single alternative that won't
16 have common anything. But the difference we're seeing
17 with the ecosystem restoration features, and if I've
18 misstated that Dick I want you to jump in on it, is as I
19 understand it we were talking about relocating habitat
20 restoration from the south delta to the north and west
21 delta. And I believe that that would arise from the fact
22 that continuing to operate in the south delta would tend
23 to reduce the benefits of habitat in that area. So there
24 would be an emphasis on moving that habitat away.

25 On water quality, we would -- because

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1 we're continuing to use the existing export location we
2 feel that it would be necessary to put increased emphasis
3 on control of organic carbon discharges from delta
4 islands. And there are no real significant differences
5 with the levee actions as compared to the common
6 programs.

7 We've had some considerations relative to
8 each of the alternatives themselves, and with this
9 alternative I think there's been a consensus on the IDT
10 that fish entrainment and adverse flow conditions are the
11 largest problems that need to be addressed with this
12 alternative.

13 That the ability to shift pumping while
14 maintaining exports is the primary optimizing feature
15 that could be employed with such an alternative.

16 I think that's important because with this
17 alternative you're not really -- you're going to wind up
18 having to shut the pumps down during certain times of
19 ecological sensitivity and the need to be able to operate
20 inspite of that necessity is I think the critical problem
21 that you need to try to solve.

22 We needed to point out that fish salvage
23 and trucking which is currently going on would have to be
24 continued under this alternative, and that certainly has
25 some negative aspects.

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1 should go with screens.

2 For purposes of our initial evaluation
3 we're assuming 10,000 cfs screen but -- our capacity, but
4 we will be working on both sides of that figure.

5 MR. SPEAR: Will you show us the picture.

6 MR. WOODARD: I'm sorry. I told you I
7 would not likely be able to do this right. Thank you. I
8 appreciate it.

9 Where were we? The screened intake on the
10 Sacramento up here, a constructed channel which would
11 link the Sacramento to the Mokelumne, and might mention
12 here that the thought of the constructed channel has to
13 do with the ecological sensitivity that would be a
14 problem in Snodgrass Slough were the facility to run down
15 that natural channel. So I think there's collective
16 agreement on the IDT that there should be a constructed
17 channel with this alternative.

18 We are looking at levee setbacks and
19 channel enlargements on the north fork of the Mokelumne
20 with associated habitat improvements.

21 A screened intake at the head of Clifton
22 Court. As I mentioned earlier, we would recommend
23 consolidation of the SWP and CVP facilities. And for the
24 purpose of our initial evaluations anyway, we're
25 centering on 15,000 cfs facility, but again we will be

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1 Also the intertie with CVP and the SWP
2 would tend to improve CVP quality somewhat and reduce SWP
3 quality somewhat. Our modeling indicates we might be
4 looking on the order of twenty parts per million or
5 something like that. I wouldn't like you to hold me to
6 that but it will center -- it will be in that general
7 vicinity somewhere.

8 Not a huge difference. But again we were
9 talking yesterday the fact that in southern California
10 particularly where they blend their supplies, any
11 increase in TDS becomes of some degree of concern to
12 them. So it's a potential concern.

13 As you recall from the slide I presented
14 yesterday with alternative number one, we're not seeing
15 overall salinities change significant in the delta. So
16 it does not have a significant water quality improvement
17 associated with it.

18 Moving on to what we have so far with
19 alternative two, it would be based on 2B as previously
20 published. We see a screened intake on the Sacramento
21 River. And by the way we did discuss whether it was
22 really important and necessary to screen on the
23 Sacramento River.

24 And the conclusion based on the screen
25 committees recommendation to the IDT is that yes, we

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1 analyzing on both sides that of number.

2 We would see again the intertie between
3 the SWP and CVP, operable fish barrier on Old River at
4 San Joaquin River, and operable flow control barriers on
5 those other locations.

6 Storage, as I say we're still working on
7 that. The ecosystem features that might be somewhat
8 different with this alternative would include habitat
9 restoration located west of the barriers, somewhat
10 limited habitat improvement along the north fork of the
11 Mokelumne taking in account this is a major water supply
12 conduit and it might be somewhat less suitable for great
13 habitat investment than other locations. Then shallow
14 water habitat located along the south fork of the
15 Mokelumne, that would be emphasized with this
16 alternative.

17 The features of this alternative that
18 would be different with respect to water quality would
19 tend to be again an increased emphasis on organic carbon
20 control in the delta arising from the fact that you're
21 still continuing to export through that area.

22 With this one we're thinking of a need to
23 relocate the municipal intakes possibly of the north bay
24 aqueduct. You recall yesterday we said that with respect
25 to salinity north bay had not been improved. Also they

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1 have organic carbon problems and significant ones.
2 So to bring some improvement to them there
3 would be a need to consider relocation of their intake.
4 Also Contra Costa Water District would possibly be
5 considered for relocation although that may not at all be
6 necessary. And the City of Tracy is another municipal
7 agency that whose water supply intake could potentially
8 be improved so we'll be wanting to take a look at that
9 possibility at least.

10 The levee rehabilitation features would
11 include setback levees and flooding of McCormack
12 Williamson Tract which improves the floodway essentially.
13 Eric.

14 MR. HASSELTINE: Is there a storage
15 component to that flooding of that tract? Are you taking
16 any storage credit for that or is that purely for the
17 flow dynamics?

18 MR. WOODARD: I think we're not taking a
19 storage credit for it. We're not.

20 MR. HASSELTINE: Okay. I was going to
21 follow up with a question that there have been numerous
22 studies done in enlarging Pardee Reservoir. Is that
23 being considered as a additional storage option? If
24 you -- since we're now improving flow characteristics on
25 the Mokelumne

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1 water quality problem for the urban use. If you take
2 some relatively inexpensive measures as compared to
3 building an isolated canal.
4 There's bromide as we discusses is the
5 primary problem relative to the water treatment and that
6 bromide comes from the ocean. What's coming down the San
7 Joaquin River now originated from the ocean in the first
8 place and would be taken care of after a while if you
9 reduce the amount of that you export.

10 And so if you could reduce the extent to
11 which the Pete Islands are swept with the cross flow and
12 keep that cross flow further from the western delta it
13 seems to me you could do quite a bit to help the water
14 quality problem.

15 UNIDENTIFIED: Alex, there are some
16 considerations there that have kind of guided our
17 alternative. Mainly revolve around habitat and fisheries
18 issues.

19 The general consensus among biologists is
20 that where you have a conveyance channel, that that's not
21 good habitat, not good rearing area for fisheries and we
22 ought to constrain our conveyance to the smallest number
23 of channels we can. So that kind of reaction would I
24 think lead us to single channel instead of moving
25 additional water into the north fork for instance.

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1 UNIDENTIFIED: Maybe I can speak to that
2 Eric. Essentially on the flooded McCormack Williamson
3 Tract is a flood control issue needs to be dealt with if
4 you're going to try to build a through delta system.

5 We're not taking any storage or building
6 any storage component in that, simply flood control.
7 We'll have to follow up on the Pardee studies and see
8 whether that would impact the way we would address
9 McCormack Williamson but my, I guess off the top guess
10 would probably be would not.

11 MR. HASSELTINE: Thanks.

12 MR. MADIGAN: Alex.

13 MR. HILDEBRAND: I think on this
14 alternative, have you considered putting inoperable flow
15 constrictors to force more of the cross flow from the
16 north to the south to go down through the south fork of
17 the Mokelumne and stay toward the east so you sweep less
18 of the delta with the cross flow and thereby pick up
19 fewer hydrocarbons and less bromide?

20 MR. WOODARD: That would be a probable
21 outcome.

22 MR. HILDEBRAND: Seems to me that we need
23 before we choose among these three alternatives to
24 optimize each one and that there's a considerable
25 potential probably in this alternative to reduce the

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1 MR. HILDEBRAND: I don't quite understand
2 what you're saying there. Because if you say you don't
3 want to have a lot of flow through the habitat channel
4 that you're making on the north fork you ought to benefit
5 it by putting more water down the south fork.

6 UNIDENTIFIED: I think the observation's
7 just the opposite. We're trying to maintain the flow,
8 conveyance flow, in a centralized channel. We pretty
9 much write off the habitat in that channel. If we moved
10 it into additional channels then we have additional
11 impact on habitat and the situation for fisheries
12 declines.

13 MR. HILDEBRAND: Well I still think you
14 have to balance that with a question of making this thing
15 work for the export water quality. There is going to be
16 some trade-off there.

17 MR. MADIGAN: Follow-up.

18 MR. BUCK: I understand the concern of
19 conveyance channels and habitat the way they're currently
20 figured, but if we have wider channels with much slower
21 velocity does that concern remain the same? From a
22 fisheries perspective?

23 UNIDENTIFIED: I think the concern is
24 reduced but it still remains that we really can't at this
25 point rely on those channels for fisheries benefits. Now

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1 our adaptive management program may find down the line
2 there are some benefits, but at this point the best
3 biological opinion I guess is that we can't really count
4 on that.

5 MR. BUCK: Another question. This may be
6 jumping ahead. How much have you looked at the salmon
7 straying issues and problems with Mokelumne return salmon
8 with this alternative in bringing more water from the
9 Sacramento River into the Mokelumne system and effecting
10 efforts to restore salmon runs upstream on the Mokelumne.

11 MR. WOODARD: That certainly has been
12 talked about, but I think perhaps Dick might be the best
13 person to discuss it. If you heard the question, Dick.

14 MR. MADIGAN: Dick.

15 MR. DANIEL: It certainly is an issue of
16 concern, however when we look at it, the relative volume
17 of Sacramento water encountered by Mokelumne River fish
18 remains the same, it's just encountered at a different
19 location. Because of the cross channel, because of the
20 influence of Georgiana Slough, and because the size of
21 the facilities remain the same, the amount export remains
22 the same.

23 But it is an unknown. East Bay MUD has
24 been doing a lot of fairly sophisticated radio tracking
25 work with juvenile salmon in that area. I think it's at

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1 with the cross flow and pick up less bromide and less
2 organic carbon.

3 And just for instance I said if you kept
4 it -- made the cross flow come largely through the south
5 fork of the Mokelumne and on across keeping it toward the
6 east side of the delta, you would improve it I think
7 significantly.

8 And the question is can you do that and
9 adapt the habitat plan to go with it so that you still
10 take care of the habitat objectives but improve the water
11 quality for exports at the same time.

12 MR. DANIELS: In the cost benefit worked
13 out you could probably create similar habitat to what
14 already exists on the south fork of the Mokelumne along
15 the north fork.

16 Frankly it would be an enormous challenge.
17 The north fork has been very heavily modified and has
18 very minimal existing habitat benefits.

19 Furthermore, right now we know that the
20 endangered delta smelt seems to center its population
21 during certain flow situations in the south fork of the
22 Mokelumne. Comparatively speaking, the south fork of the
23 Mokelumne is a very lush fisheries habitat right now and
24 lends itself very easily to additional enhancement.

25 The north fork has been heavily

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1 worst a pushing, at best an improvement because of the
2 habitat that we're talking about creating along --
3 enhancing along the south fork should make for better
4 migratory corridor for the adults and much better
5 migratory corridor for the juveniles.

6 So that one of the issues we have to look
7 at and are continuing to look at, but frankly I'm not
8 sure we can resolve the issue in the absence of an honest
9 to God field study and then by then you've made a
10 commitment and you're all done.

11 But by and large the general assumption is
12 that they've been doing fairly well historically with
13 that same volume of water coming across. This water will
14 be much lower velocity and there will be the additional
15 habitat benefits associated with it.

16 MR. HILDEBRAND: I'd like to see someone
17 else so the potential for doing the kind of thing I'm
18 talking about with appropriate changes in the habit plan
19 to go with it.

20 MR. DANIELS: I'm sorry I was out of the
21 room and didn't hear what you were talking about.

22 MR. HILDEBRAND: I'm talking about
23 improving this through delta thing from the standpoint of
24 export water quality by using operable flow restrictors
25 to guide the cross flow so you sweep less of the delta

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1 channelized, the levees of rip-rap. There is next to no
2 water site habitat left.

3 That's the basic environmental theory
4 behind it. You got one that looks it pretty darn good
5 and one that looks terrible. If you're going to be
6 channelizing one and moving more water through it, let's
7 take the one that doesn't look very good.

8 RIGHT ONE: From a cost point of view, the
9 alternative is to achieve what you're trying to do from
10 exporter's point of view by an isolated facility, and
11 that isn't going to be cheap. So if this costs money to
12 fix this, make this better, I think it ought to be
13 examined before you say, "Well, it's too expensive to fix
14 this, so we'll do something more expensive."

15 MR. DANIELS: I don't disagree with you,
16 Alex, and I can't offer you any kind of technical opinion
17 about the difference in salinity or bromides that would
18 happen by routing one way or the another.

19 MR. HILDEBRAND: I'm just asking it be
20 examined.

21 MR. BUCK: It might be looking at it from
22 a water quality modeling perspective first before then
23 looking at the biological one. If you can look at it
24 with a wider channel, how much benefit might we get in
25 bromides and organics by doing it which would then if it

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1 is a large benefits, similar to an isolated facility it
2 might then just by looking into it on a biological basis
3 as well.

4 MR. DANIELS: Frankly I didn't have to run
5 any models I just had to run a boat.

6 MR. BUCK: I'm asking him to do models.
7 Dick..

8 MR. WOODARD: We are in the process of
9 doing modeling on organic carbon. In fact, we have very
10 preliminary results, but I thought they were too
11 preliminary to present here.

12 In general, I think the system as
13 configured now might give you -- you remember we were
14 looking at about on the order of 25 percent reduction of
15 TDS at the export points with this alternative. That
16 might not -- that might be a reasonable expectation for
17 how it would perform with organic carbon. Something --
18 It would be on the order of a few percentage improvement.

19 MR. BUCK: Just to be clear, the point
20 would be if it came more down the south fork would that
21 be a great benefit or just marginal benefit and that
22 might lead us into trying to deal with biological issues.

23 MR. WOODARD: Alex we do --

24 UNIDENTIFIED: We can add that I think to
25 the studies we're doing on organic carbons and look at

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1 levee stability uncertainties, were such that we really
2 would feel very uncomfortable seeing this alternative go
3 forward because we think you would have made an
4 irretrievable commitment of resource and if it turned
5 out to have serious problems, that would be a very
6 serious situation. So we're intending to recommend to
7 the policy group that 2E specifically not be included.

8 Also as I mentioned briefly earlier, we
9 are working intensively on developing operating --
10 supposed operating criteria for these facility so that we
11 can do the analytical work and refine the numbers.

12 MR. MADIGAN: Go ahead Richard.

13 LEFT ONE: Izmirian

14 MR. IZMIRIAN: On your considerations for
15 alternative one you mentioned the need to truck salvaged
16 fish, all that. Don't you have the same consideration
17 here?

18 MR. WOODARD: Yes. In the southern delta
19 you would.

20 MR. IZMIRIAN: At the very beginning of
21 your presentation you talked about the possible need to
22 change delta standards. Can you explain that with regard
23 to the three alternatives. Go through that.

24 MR. WOODARD: Well I don't think I'm
25 prepared to do that because our deliberations on the

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1 that concept.

2 MR. WOODARD: Okay. I'm talking about
3 some of the considerations that the IDT has discussed.
4 We think it's necessary to realize that the facility up
5 here would present problems for fish migrating upstream,
6 that also fish will continue to be diverted down
7 Georgiana Slough in the central delta. And that's one of
8 the kind of things we are trying to minimize.

9 The setback levees as envisioned for the
10 Mokelumne would provide important flood control benefits
11 and that should not be ignored in the thought process.

12 Also again with SWP and CVP intertie there
13 would be some gain in quality for the CVP and some loss
14 in quality for the SWP.

15 We paid particular attention to 2E. I
16 thought it would be worthwhile to share our thoughts on
17 this one specifically. This alternative would have, if
18 some of you would recall, would have flooded a major
19 number of lands going down through central delta
20 producing very wide swath of water that would then be a
21 conduit for water through delta.

22 The IDT felt that this alternative,
23 because it is a very large scale change of the physical
24 system that the uncertainties associated with it in terms
25 of biological uncertainties water quality uncertainties,

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1 operating criteria -- by the way we're not really
2 referring to them as standards because we're not sure
3 these would be manifested in terms of standards. There
4 would be potentially agreements, operating agreements of
5 some type.

6 LEFT ONE: Cyst cyst

7 MR. IZMIRIAN: You're not talking about
8 delta standard you're talking about operating agreements?

9 MR. WOODARD: Essentially. Some of that
10 could come out as standards, we don't know. We're simply
11 trying to define an operational scenario irrespective of
12 what the standards would look like. How should it be
13 operated to make the alternative work best. That's what
14 the IDT is intensively involved in now. And I don't
15 think we're really ready to -- I don't we've got anything
16 well enough gelled to really present at this point.

17 MR. MADIGAN: Sunne.

18 MS. McPEAK: With respect to a couple of
19 slides ago the last presentation on fisheries, the
20 difficulties on migration for alternative two, are those
21 observations that the staff has developed in comparison
22 to alternative one and alternative three or to the
23 present circumstance? Tell me, the fish have difficulty
24 in comparison to today in comparison to alternative one?
25 Alternative three? Both?

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1 MR. WOODARD: It would be in comparison to
2 today. Have I got that right guys? Certainly with
3 respect to alternative one.

4 MS. McPEAK: Certainly with respect to
5 one, and you're contention is also with respect to
6 alternative three? But not over today I would think.

7 MR. WOODARD: I may need some help from
8 our fisheries experts on this thing. But I don't think I
9 made that contention necessarily.

10 MS. McPEAK: That's what I'm trying to get
11 clarification on.

12 MR. WOODARD: Is there someone from the
13 fish and wildlife service? ---

14 MR. MADIGAN: Dick, would you like to have
15 a try?

16 MR. DANIELS: I'm not sure I've caught all
17 of the question.

18 MS. McPEAK: I always ask you confusing
19 questions right, Dick? At least you think so.

20 MR. DANIELS: Alternative one is the
21 status quo.

22 MS. McPEAK: Right.

23 MR. DANIELS: If you built additional
24 storage, if you had additional storage south of the delta
25 and had opportunities to put water in that storage and

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1 Isolation deals with a lot of those
2 problems. The degree to which you keep the fish in the
3 Sacramento -- from the Sacramento River in the Sacramento
4 River is very beneficial. The degree of isolation would
5 also affect the amount of San Joaquin water exported by
6 the pumps from some fraction similar to what it is now to
7 nearly zero as you move up in volumes of degree of
8 isolation.

9 All of those factors come together in
10 different play. It's also true if you had an isolated
11 facility you might think about sizing it to match up with
12 the demand for export water from the delta during
13 critical period and then reserve the unisolated portion
14 of the export for later on in the summer for example when
15 there's less concern about fisheries.

16 You would also potentially have the
17 ability again with south of the delta storage to bank
18 some water and at the discretion of the fisheries
19 managers reduce exports based on realtime monitoring and
20 events that happen in the system that aren't previously
21 predicted.

22 So almost certainly from a fish
23 entrainment standpoint, from a delta circulation pattern
24 standpoint relative to fisheries, as you move from
25 alternative one towards alternative three and then within

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1 use it as payback for curtailed exports during critical
2 periods, you could improve over today's conditions.

3 Alternative two again has that same
4 possibility with those same caveats. And alternative two
5 because of its lower velocities reduces the likelihood of
6 large scale entrainment particularly of juvenile salmon.
7 I.e., because of the velocities are lower they can seek
8 their pathway to the ocean better. We can't quantify
9 exactly how much that would happen because we'd have to
10 calculate the velocities and do a lot of behavioral
11 studies.

12 But the basic concept is if you slow down
13 the movement of water across the delta the fish have a
14 much better chance to deal with this entrainment problem
15 on themselves -- by themselves.

16 Also in alternative two we talked about a
17 screen at Clifton Court which should return more fish
18 back into the delta system, reduce the amount of handling
19 involved in trying to truck them back into the system.
20 But still has the problems associated with delta smelt
21 being very delicate fish and very difficult to strain.
22 Stripe bass eggs and larvae being too small to screen.
23 And the fact when you return them to the system you're
24 putting them right back into this black hole of predators
25 in the delta.

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1 alternative three the degree of isolation that you create
2 you accrue additional fisheries benefits in a fairly
3 significant way. Does that respond to your question?

4 MS. McPEAK: Well it more fully answers
5 it. The question I was zeroing in on is the statement
6 about alternative two, and it was a qualitative
7 statement I want to understand in comparison to what.

8 MR. DANIELS: We're comparing everything
9 to today's conditions, today's concerns, today's impacts
10 under the existing facilities we're working with now.

11 I try to measure the degree of improvement
12 under the various alternative and the ways in which you
13 can enhance the degree of improvement within the
14 constraints of working with the facilities.

15 MS. McPEAK: All right, but what I heard
16 you respond, Dick is that if alternative two and
17 alternative three were operated as you are contemplating
18 that has a continued amount of water flowing through the
19 estuary at the appropriate time, that we could improve
20 fisheries over today's conditions.

21 MR. DANIELS: I'd be willing to say we
22 will improve.

23 MS. McPEAK: Will. That's a pretty
24 positive statement and definitive from you. And you
25 think three is better than two for that purpose. But

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1 that's not what was stated up there, and that's why I was
2 zeroing in on it. It said it's more difficult for the
3 fisheries to navigate up on the rivers.

4 MR. DANIELS: Perhaps the issue is, and I
5 may not have given you a complete answer on the Mokelumne
6 straying thing. One problem that could occur is that
7 fish moving -- adult salmon that have the intent of
8 moving into the Mokelumne River, the Cosumnes River, and
9 up the San Joaquin towards its tributaries would
10 experience a significant amount of Sacramento River water
11 in the interior delta as they do now under alternatives
12 one and two as we're looking at.

13 That can cause, does cause straying and
14 these fish end in streams other than their natal streams.
15 They get lost. On the Mokelumne River that's a concern,
16 but frankly the vast majority of the Salmon we have on
17 the Mokelumne River today are hatchery derived, hatchery
18 fish tend to stray anyway and I can't tell you whether or
19 not alternative two would exacerbate that problem.

20 On the San Joaquin tributaries we do get
21 straying. It's more than we see on the Sacramento River
22 and its tributaries. There is a very small hatchery
23 program on the Merced River.

24 But those fish have been moving across the
25 delta with that much Sacramento River water in the

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1 the timing on the taking. Right now there's a physical
2 constraint because of the size of the channels,
3 therefore, the velocity is increased, and the constraint
4 of the capacities, so we pump over a pretty long period
5 of time.

6 That gets offsetting with the wider
7 channel if you take it in a shorter period of time and
8 that's why I'm questioning the statement about velocity.

9 MR. DANIELS: That's why operational
10 criteria, which may or may not be translated into
11 standards eventually are very important.

12 MS. McPEAK: Right.

13 MR. DANIELS: You not only have to have
14 the capability to move more water, you also have to
15 generate the ability to constrain the amount of water
16 that's moved during very sensitive time periods. So
17 operations is really the key to all of this.

18 MS. McPEAK: Would you -- then let me ask
19 this. Does not our data on fish suggest we'd like to
20 pump less of the time?

21 MR. DANIELS: I'm try and generate some
22 humor. The amount of water exported from the delta
23 exceeds that that is safe for fisheries during the first
24 365 days of every year.

25 MS. McPEAK: Yes. Thank you. That's very

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1 interior delta over the last twenty to thirty years, and
2 their problems don't seem to be centered on straying but
3 rather deficiencies in habitat, deficiencies in flow,
4 and problems with temperature. And I think that the
5 overall CalFed program will substantially improve
6 conditions for those fish. So in the context of things,
7 straying does not seem to be a terribly significant
8 concern.

9 MS. McPEAK: Right. One last question you
10 mentioned lower volumes, lower velocities in two in
11 comparison to what?

12 MR. DANIELS: Today.

13 MS. McPEAK: In comparison today.

14 MR. DANIELS: The reason I say that is
15 right now we're exporting the same amount of water from
16 the delta today as we would under virtually all of these
17 alternatives. Essentially the same.

18 The water now comes through the delta
19 cross channel, Georgiana Slough, and Three Mile Slough.
20 Those are relatively confined channels, and the number of
21 acre feet ends up generating a pretty high velocity. If
22 you have a wider channel designed to reduce the velocity,
23 then you start to address that problem.

24 MS. McPEAK: I understand that. Those
25 physics. What I guess I'm questioning is the taking --

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1 good.

2 MR. MADIGAN: Thanks, Rick.

3 MR. WOODARD: Okay. Turning now to
4 alternative three, we feel that it should be perhaps
5 based on 3B, that we are looking at a 5,000 to 15,000 cfs
6 isolated facility and for purposes of our early analysis
7 we're centering on 10,000 cfs and will be doing that
8 analytical work.

9 MR. MADIGAN: Can't hear you very well.

10 MR. WOODARD: Maybe I'll start over again.
11 We're centering on 3B, we're looking at a 5,000 to 15,000
12 cfs isolated facility and for purposes of our early
13 analysis we'll be centering on a 10,000 cfs facility and
14 been doing analyses on both sides of that.

15 We're looking at the potential of having
16 dual points of intake on the Sacramento River, perhaps at
17 Hood and Freeport as an example. That would be one of
18 the features that will be evaluating. We are looking to
19 possibly provide water to the south delta interests
20 through the canal which would help to alleviate some of
21 the water quality problems that the flow flow changes
22 induced by an isolated facility would cause.

23 At Clifton Court we're looking at a zero
24 to 10,000 cfs screened fish -- screened intake. And
25 again as before we would go with the low head pumps to

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1 enable you to extract water during tidal cycles and
2 maintain screen efficiency. And again we would be
3 consolidating Intertie for the CVP and SWP.

4 The enlargement -- setback levees and
5 enlargement of the north fork of the Mokelumne would
6 remain as part of this program. The ecosystem features
7 that might be different, and again Dick if I
8 mischaracterize Jump in please, probably decreased
9 emphasis on habitat improvements in the north fork of the
10 Mokelumne, increased emphasis on habitat improvement in
11 the south delta which is now made possible by the fact
12 you're not -- you're returning that flow pattern in the
13 south delta to a more nearly normal condition or more
14 nearly historic condition. That there would also be
15 emphasis on shallow water habitat along the south fork of
16 the Mokelumne.

17 Water quality features that would be
18 different, again possible relocation of some municipal
19 intakes, probably a decreased emphasis on control of
20 organic carbon in the delta as you would be avoiding a
21 good bit of that problem.

22 In terms of the levee features, we are
23 still talking about the setbacks. And one of the things
24 we've talked about is whether or not Old River from here
25 to there would need to be enlarged with this and perhaps

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1 fish entrainment from the agricultural intakes that are
2 currently operating in the south delta. I say south, I
3 mean really east and south delta.

4 We think another potentially important
5 consideration is that the San Joaquin River salt loads
6 would be significantly decreased due to the improved
7 source water quality that would be taken into this sort
8 of facility. And we feel that that would tend to offset
9 negative salinity effects that would be otherwise
10 experienced with the introduction of the isolated
11 facility and the flow changes in the delta that that
12 would cause.

13 And also, operations criteria will have to
14 be established both for the Sacramento and south delta
15 locations. I should mention, I don't think I said it
16 earlier, but this same situation would pertain to
17 alternative number two where you have to have a separate
18 set of criteria for your northern point of intake as well
19 as the southern point. So I think that pretty well
20 capsulizes the discussions we've had on the IDT to date.
21 And we will be meeting several times before your December
22 meeting and hopefully we will have significantly more
23 fleshed out considerations for you.

24 MR. MADIGAN: Thanks, Rick.

25 RIGHT ONE: Ham all

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1 the other alternatives.

2 There is some engineering questions
3 remaining as to whether that sort of enlargement would be
4 necessary given that you do have the low head pump
5 operation so that you're able to operate at more a more
6 nearly constant export.

7 Might cause -- might relieve the necessity
8 of having that channel enlargement. That's an element
9 that we're going to be working on with all these
10 alternatives. Now -- and if you'll bear with me I think
11 we're getting down to the end of this thing pretty
12 shortly.

13 We have given some consideration to
14 various aspects of it. We recognize that the opportunity
15 to avoid south delta pumping is very important for
16 fishery protection and restoration and that relates to
17 the disrupted flow patterns and in fish entrainment that
18 are associated with that pumping.

19 We recognize that the isolated facility
20 will tend to reduce the through-delta flows and increase
21 in-delta channel salinity.

22 And the supply to the south delta islands
23 from isolated facility would, in addition to producing
24 water quality benefits to the agricultural interests,
25 would also and we think perhaps importantly eliminate

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1 MR. HILDEBRAND: May I make a comment?

2 MR. MADIGAN: Alex.

3 MR. HILDEBRAND: Before our meeting this
4 morning Rick and I talked about this idea of delivering
5 water from the isolated facility into the south delta.

6 I don't think that it's practical to do it
7 in the manner he suggested. It may be possible in some
8 other manner. We have seventy-five miles of channel, we
9 have dozens and dozens of diversers to deliver water then
10 each and every one of them would be enormous task and
11 coordinating delivery would be very difficult. I don't
12 think that's practical at all.

13 It may be practical to deliver water into
14 the channels in a way that would accomplish the same
15 objective. If you put the water -- deliver the water
16 into the channels on the upstream side of the barriers
17 and let it flow upstream in those channels that would
18 deliver it to a good many people.

19 There's still the problem of the water
20 degradation that's going to take place in the central
21 delta, east central delta, if do you this. And that
22 hasn't been addressed here. So I don't see that this
23 isn't possibly, but it needs a lot more thought than it's
24 had yet to show it's any reasonable alternative.

25 MR. MADIGAN: Okay, Lester.

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1 MR. SNOW: I'm going to try to be brief
2 because I think you folks have asked a lot of questions
3 indicating you kind of understand what some of these
4 trade-off issues are.

5 We want to set up some issues going into
6 the break out sessions. One of the things I wanted to do
7 with this overhead, you know we have at this point
8 eighteen distinguishing characteristics, but what's
9 happened with this kind of this first round of evaluation
10 and the work of the IDT has ended up focusing on these
11 nine distinguishing characteristics.

12 Probably at this point the first eight
13 here as being the ones that tends to have the most shift.
14 And that's supported in the documentation that we've sent
15 you.

16 There's -- It's in the saying that the
17 others aren't showing some differences, but these --
18 tends to be where we're seeing the biggest changes
19 between the different approaches. And these are all
20 issues that we've discussed in some fashion yesterday and
21 this morning.

22 And it's within these that you start
23 seeing some of the kind of classic trade-off issues we
24 need to have discussed. Where you may be making with one
25 of the alternatives, like alternative three, significant

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1 fish effects, water quality. To the extent to which
2 you're relying on facilities then produces the cost,
3 assurance, and in the case of export water quality raises
4 the issue of nonexport water quality concerns.

5 So you can almost take those eight
6 distinguishing characteristics and you start looking at,
7 okay, when I'm getting good water supply opportunity what
8 am I impacting? What's kind of going the other way in
9 the diagram.

10 You've got total cost and you've got
11 assurance difficulty. And the same with any of these.
12 As I'm getting operational flexibility, you look at the
13 other distinguishing characteristics and you kind of say
14 which is going in the opposite direction. This one's
15 positive. Again in this case you're getting total cost
16 and assurance is kind of moving the other way.

17 Well this conceptually is how you're
18 starting to line up the trade-offs. What are the
19 important policy issues. You analyze to get to this
20 point, but at some point in here you're starting to make
21 policy judgements about what are the realistic trade-offs
22 as you look to the future.

23 So I think that's all I really wanted to
24 set up in terms of trade-off issues. It might help you
25 focus on some things to discuss as you move into the

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1 impact on diversion effects but then what you're doing to
2 do that is you're bringing online facilities that tend to
3 raise the difficulty, increase the difficulty providing
4 assurances.

5 Same with export water quality. The one
6 that produces the greatest on that again is a facility
7 intensive one which raises issues of assurance and has
8 implications you need to be on guard looking at in-delta
9 water quality kinds of issues.

10 Water supply opportunities, you remember
11 from Mark's presentation yesterday which one had the
12 highest water supply opportunity. Well no surprise, it
13 was the one with the significantly highest cost.

14 So we're starting to see these kinds of
15 things evolve. And again it gets a lot more complicated
16 than this, but in general when you're getting flexibility
17 you have higher cost and you've got greater difficulty of
18 assurance. So we're seeing that kind of trade-off.

19 A lot of it ends up -- if you move away
20 from the simple distinguishing characteristics, a lot of
21 trade-offs end up in what's producing it, how are you
22 getting that issue, and it ends up being the issue of
23 facilities.

24 You know the role the storage or
25 conveyance facility is playing to address flexibility.

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1 break up groups.

2 MR. SNOW: Go ahead.

3 MS. NOTTOFF: I think it's useful to do
4 this to get conversation going. I just want to say that
5 in advance of having an environmental impact analysis, an
6 environmental impact statement, it's somewhat premature
7 to talk about the trade-offs in terms of the
8 environmental impact. It seems to me, that it's
9 difficult to start making those -- talking about those
10 trade-offs now.

11 MR. SNOW: I think some of these
12 trade-offs are coming on the table now even in advance of
13 completing the rest of the work. If someone is
14 advocating they want the alternative with the highest
15 supply opportunity, that starts triggering some of these
16 kinds of issues right away. You may say I'm not so sure
17 that's desirable any longer. Even if it ends up being
18 acceptable from an environmental impact standpoint.

19 I think some of these issue you can start
20 working your way through as you bring on line the impact
21 assessment and identifying most practical, least damaging
22 alternatives.

23 I understand the point you're making. But
24 I think some of these can benefit from discussion now
25 about the trade-offs and considerations that need to be

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1 made.
2 MS. McPEAK: Bob then Tom.
3 MR. MEACHER: I know we're not supposed to
4 be consideration California future water needs, but in
5 this whole mix there's a durability here that I'm not
6 sure I understand as far as there is going to be a demand
7 on the system twenty years from now, so isn't there some
8 sort of line here where we need to talk about how long in
9 the cost, how far out we're going. Is this a ten-year
10 fix? Twenty-year fix in our cost? In the overall
11 picture that we need to look at as a trade-off?

12 MR. SNOW: I think all of our modeling
13 runs out to twenty, twenty-five; is that correct?
14 Twenty, twenty. So that's the kind of numbers we are
15 working with, but I think the durability issue, the test
16 you put it to and the solution principles when we get to
17 that point is an assessment of those kinds of issues.

18 And even if you're not meeting all of
19 California's future demand forever, you make judgments
20 about the solution that we're putting forth and how
21 durable it will be in the face of future uncertainty.

22 MR. GRAFF: Mr. Chairman, I apologize for
23 having missed much of yesterday -- all of yesterday
24 afternoon's session and a little bit this morning, but I
25 have to say looking at this agenda for the rest of the

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1 trade-offs that have been discussed in some detail by
2 Rick Woodard and then conceptually by Lester.
3 Each group will be facilitated by one of
4 three people. Either me or Eugenia Laychak from the
5 California Center for Public Dispute Resolution and Paul
6 Schwartz who's been facilitating a process with the
7 in-delta channel island work group through San Francisco
8 estuary project.

9 All of you who were here yesterday should
10 have a colored dot on your -- the back of your badge that
11 tells you which group you're in. If you have a green
12 dot, you're with me in room 101 which is downstairs. If
13 you have a blue dot you'll be meeting in room 205 with
14 Eugenia. And if you have a yellow dot you're in room 201
15 with Paul Schwartz.

16 What we will do is meet in small groups
17 for about an hour, reconvene and post the results from
18 your discussions in each of the groups. And the results
19 will be integrated more further into the development of
20 the hybrid alternative which will be before BDAC on
21 December 12th.

22 There will be a CalFed staff person in
23 each session. However, the -- our hope is that this is
24 an opportunity for every member of BDAC, particularly
25 folks who generally don't have a chance to speak their

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1 day there are very important current controversies
2 involving B2 and involving the apparent ag, urban
3 takeover of B2 discussions this afternoon that I think
4 need to be addressed during the originally noticed time
5 for this meeting. I had been planning to leave this
6 meeting midday today. That is, lunchtime today. So that
7 it worries me that we're not going to get to some of
8 those matters potentially until this afternoon.

9 MR. MADIGAN: Okay. What's your schedule
10 for departure?

11 MR. GRAFF: Well, I will try to stay until
12 the afternoon if absolutely necessary.

13 MR. MADIGAN: If we deal with B2 in the
14 time frame noted here, which is 11:30 to noon, and then
15 move up the question of the ag, urban negotiations, would
16 that --

17 MR. GRAFF: Yeah, if we can stay with
18 that, I mean if we can actually meet this agenda item
19 that will be okay. I just worried we're already behind
20 this morning.

21 MR. MADIGAN: I know we are. Okay. Mary.

22 MR. MADIGAN:

23 MS. SELKIRK: We have an opportunity now
24 for BDAC members to meet in small groups for the next
25 good hour to deliberate on some of the emerging

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1 minds or express their points of view to do so in a less
2 formal environment.

3 I should also note that since this is
4 public meeting there may be members of the public that
5 will be present at the breakout. So -- and there will be
6 time for members of the public to make comments at that
7 time.

8 So I'm going to propose we reconvene about
9 11:15 so that we are -- have our best shot at keeping the
10 B2 agenda item as it's listed at 11:30. I'm going to
11 suggest if we have slippage there that we simply shorten
12 our lunch break.

13 So any questions? If you're green you're
14 in 101. If you're blue you're in 205. And if you're
15 yellow you're in 201. And if you don't have a dot you
16 get to choose.

17 UNIDENTIFIED: What's the audience do?

18 MR. MADIGAN: Come on along.

19 MS. BORGONOVO: Members of the public can
20 attend whichever breakout session they choose. So
21 they'll all be noticed -- there will all be signs outside
22 the doorstair and people are welcome to attend any and
23 move from room to room freely.

24 MS. SELKIRK: Yes.

25 MR. MADIGAN: All right.

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1 (Breakout recess.)
 2 MS. SELKIRK: The comments from each of
 3 the breakout groups, we're going to go through and
 4 highlight the comments. And I asked the members of my
 5 group to make sure if anything important is left out that
 6 they speak up.
 7 There's not going to be any decision
 8 reached. This is feedback to the CalFed staff with
 9 regard to the alternatives, how they've been
 10 characterized, how the trade-offs have been
 11 characterized. We're going to post them for people to
 12 review throughout the rest of the day. We need to do
 13 this fairly quickly so we can move on to the B2
 14 presentation.
 15 What I'm going to ask each facilitator to
 16 do is walk through briefly what came out in their
 17 discussions. I have a hand-held mic here. So where is
 18 Eugenia.
 19 MS. LACHECK: I'm right here. You with a
 20 want me to start?
 21 MS. SELKIRK: Yeah, why don't you start.
 22 MS. LACHECK: We had about seven people in
 23 our group and what we did was we talked about -- we
 24 talked actually specifically about three of the
 25 trade-offs that are listed on the overhead over there.

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1 And we also talked in general terms, too.
 2 Specifically in terms of diversion effects
 3 of fisheries versus assurances, we got a comment that we
 4 need to maximize the benefits for all parts of the
 5 program. What we meant by that was that we came up with
 6 this need to balance and satisfy the needs of all of the
 7 parties. And then also tied into this is making sure
 8 that the system also receives those benefits. That
 9 there's a balance between that and having the necessary
 10 dollars to do what we need to do. And also a balance to
 11 have the adequate assurances that are needed to
 12 adequately implement the solution.
 13 We also discussed that there is a need for
 14 clarification of the process and also the assumptions and
 15 the methodologies behind a lot of the numbers in the
 16 matrix. The Justification for those. And that there was
 17 also a sense of the group that we may not be able to move
 18 much further forward until we get that kind of
 19 information.
 20 Also another comment that came out
 21 specifically in terms of assurances, that there's a need
 22 for a physical limit on the construction of the
 23 facilities that would be built, if any, and also that
 24 there is also an adequate institutional mechanism or
 25 entity to make sure that the thing is implemented

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1 correctly over the long-term.
 2 In terms of export water quality versus
 3 in-delta water supply opportunities, there's a concern --
 4 there was a concern expressed whether this really has to
 5 be a trade-off.
 6 And also we discussed for a period of time
 7 the cost and relationship to the Safe Drinking Water Act
 8 and the uncertainty presented by that and also other
 9 things that can happen in the future.
 10 We also then talked about consistency with
 11 solution principles versus cost, and one of the key
 12 things that came out of here is that the cost of the
 13 program is relative to the cost for other types of
 14 projects that are occurring in the state. So we need to
 15 look at this in a relative manner.
 16 And also there was a question raised in
 17 our group whether this should also be a trade-off between
 18 the solution principles and cost.
 19 Is there anybody from the group that wants
 20 to add to the summary? Have I missed anything
 21 significant? Okay. That's it.
 22 FRED: Our group had a real difficulty
 23 with getting into this because of the fact they didn't
 24 feel like they had anything concrete to discuss. We're
 25 looking for an alternative or assessment of an

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1 alternative that hasn't really been created yet, but we
 2 did get started.
 3 We chose to discuss the diversion effects
 4 on fisheries versus assurances, water supply opportunities
 5 versus total cost. We combined operational flexibility
 6 versus total cost and operational flexibility versus
 7 assurances, and then ended us with risks to export water
 8 supplies versus assurance.
 9 In looking at the diversion effects on
 10 fisheries versus assurances, we were saying there are
 11 political and legal and physical assurances that need to
 12 be given. And the discussion really weighed in more
 13 heavily on the side of assurances rather than on
 14 diversion effects because people felt the amount of
 15 assurances is what's really going to drive how much
 16 diversion effects they want to see guaranteed.
 17 Water supply opportunities versus total
 18 cost, we are talking about is it practical to build a
 19 large screen for the opportunity. The cost of doing it
 20 is huge. It's -- there was question as to whether the
 21 technology is really feasible to have a 15,000 cfs screen
 22 intake, and then we're talking about the time frame for
 23 the supply options. Comparing costs to the cycle -- Life
 24 cycle of the whole project, not only installation but
 25 operation and maintenance, timing and the reliability,

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1 Looking at how are we going -- what opportunities will we
2 have in wet versus dry years.

3 So a lot of it came down to water supply
4 reliability as looking at it as a water supply
5 opportunity.

6 When we got to operational flexibility
7 versus total cost, it was more again having it understood
8 as what the cost would be. Because without knowing what
9 the cost of a proposal alternatives -- that's one of the
10 things they wanted staff to be clear on is what are the
11 numbers, I think as Eugenia pointed out earlier.

12 Then risk to export supplies versus
13 assurances, that was interesting because while it's been
14 discussed as a seismic risk, a lot of discussion centered
15 around assuring exporters that a certain amount of water
16 would be taken out of the system and no more. Because
17 they are concerned about their own local supplies. And
18 that's it in a nutshell.

19 MS. SELKIRK: We had about about seven
20 BDAC members in our group. One of the first comments
21 made was similar to what I think emerged in the other
22 groups, is that one BDAC member expressed he did not have
23 enough detail as with regard to the alternatives to
24 really know whether this is reasonable characterization
25 of the policy trade-offs.

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1 the station if you decide you're going to spend several
2 billion dollars for a particular facility that it's very
3 hard to get off that track once you're on that train.
4 That it doesn't allow for a lot of ability to
5 incrementally improve the system...

6 Another point made was that -- we actually
7 ended up getting to a lot of specifics with regard to the
8 assumptions underlying the trade-offs and the
9 alternatives.

10 One member commented that the isolated
11 conveyance would not address concerns for anadromous fish
12 on the San Joaquin because there would simply not be
13 enough flow to -- attraction flows in the river.

14 An overall comment made -- I'll identify
15 him by the chair of our assurances work group -- was that
16 we may be dealing with some unrealistic expectations with
17 regard to assurances overall.

18 One in particular, how can it be assured
19 that delta pumps will get water -- I'm sorry, that the
20 delta pumps will get water from an isolated conveyance.

21 Another BDAC member asserted that it could
22 be stated that the less money that's invested up front
23 the more opportunities there may actually be for
24 flexibility in adaptively managing the entire CalFed
25 solution.

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1 And the initial comment was that in the
2 landscape picture that the real trade-offs seemed to be
3 between assurances and total cost versus about every
4 other distinguishing characteristic.

5 A central comment that was made was that
6 the characterization of the trade-offs was in question.
7 For example, one BDAC member commented that with regard
8 to diversion effects, that entrainment issues are really
9 only one aspect of fisheries impacts, that habitat and
10 flow are also very significant.

11 Therefore, there was some question as to
12 whether to characterize the isolated facility alternative
13 as being -- having the highest benefit to fisheries was
14 something that might actually be in question.

15 The other point that was made with regard
16 to this was that there's a significant, how should I say
17 this, that we have to understand that efforts to on the
18 one hand optimize, improve habitat and restore fisheries
19 on the one hand may result in serious environmental
20 impacts at the same time.

21 In other words, the alternative that may
22 provide you with the greatest flexibility improve habitat
23 can also be the source of its destruction. So.

24 Another point that was made is that with
25 regard to the issue of cost, that once the train leaves

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1 Another BDAC member characterized --
2 questioned whether one way to think about assurances was
3 how we can all share the pain, and asserted that from his
4 perspective water quality was a -- probably ultimately a
5 more important concern than increased water supply.

6 Another BDAC member commented on perhaps
7 it was important for us to transform the share-the-pain
8 concept into sharing the interests here. And there was
9 much discussion about the common pool concept and the
10 importance of having that embedded in the CalFed
11 solution.

12 I'm not going to take the time to go
13 through, but there were some specifics suggestions made
14 with regard to how to do that. How to institutionally,
15 legally and contractually reinforce the common pool.

16 And some recommendation that the
17 alternatives be -- that alternative in particular
18 alternative two, be optimized because of it's potential
19 to support the common pool concept.

20 Let's see. Another member talked about
21 the importance of expanding the definition of operational
22 flexibility so that alternatives one and two are given
23 greater attention with regard to a more complete
24 definition and expansion of what CalFed means by
25 operational flexibility.

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1 Another big issue that was raised was that
2 without export limits out of the delta then there are a
3 variety of very serious environmental impacts down the
4 line and that there was a concern expressed that the
5 CalFed program has not addressed the potential for having
6 some kind of limits on delta exports.

7 Couple final comments. If export
8 constraints were part of the solution, some interests may
9 be more open to other options. As you can see, this
10 group did not stick to its assignment of strictly
11 addressing trade-offs.

12 Public comment. One comment was that
13 there's not enough time, the time line is too compressed.
14 It's important to understand adaptive management in every
15 component of the program in CalFed, not just the
16 ecosystem restoration program. And that's a quick and
17 dirty summation.

18 Are there other comments that I left out
19 that members of my group would like to add? Okay.
20 That's it. All of this feedback will be integrated by
21 the CalFed staff, considered and integrated into the
22 ongoing development of the alternatives. And hopefully
23 there will be some evidence of that as the preferred
24 hybrid alternative reaches BDAC on December 12th.

25 MR. MADIGAN: Good. This was very
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1 either take hours or minutes. And I'll choose the
2 latter.

3 This is all about the reaching a decision
4 on how to use a certain section of the CVPIA which
5 allocated eight hundred thousand acre feet to fish and
6 wildlife purposes to help assist in anadromous fish
7 doubling, et cetera. And been a long, contentious five
8 year struggle to figure out exactly how to do this.

9 In June Interior announced a proposal but
10 also set up three stakeholder groups. One on fish
11 measures, one on the toolbox measures and one on
12 modeling.

13 Those three groups have been meeting
14 throughout the summer and early fall to analyze the
15 various aspects of the decision. As you might expect,
16 something that took five years must be controversial and
17 it is, to try to get as much -- shed as much light on the
18 subject at possible and in fact were of considerable
19 assistance.

20 What we did on Friday was announce a final
21 draft, in essence an update of the paper we provided in
22 June and now a final draft and secretary -- under
23 secretary Garamendi announced that on November 20th we
24 will make a final decision.

25 There's two key parts to this
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1 helpful. I thought the group that I sat in on was
2 useful. I'm glad we went through the exercise. And I
3 thought facilitation, certainly in the group that I was
4 in, went well.

5 Why don't we do something interesting and
6 exciting before lunch, Lester. Pick one. How about the
7 next item on agenda.

8 MR. SNOW: Yeah.

9 MR. MADIGAN: Okay.

10 MR. SNOW: Is Patrick here? Has anybody
11 seen pat Rick Wright? There he is. We've already had
12 the drum roll, Patrick. And I think as we get into the
13 B2 issue if in fact Patrick's going to lead off, it might
14 be good to provide a little bit of context. I know
15 there's people in the room that have followed this every
16 step of the way, but I suspect there's also some that
17 still think B2 is a bomber, not just a bomb. I think.

18 MR. MADIGAN: I think it's being looked at
19 as a bummer by some.

20 MR. SPEAR: What we're passing out is the
21 document that was handed out to a group of the ag, urban
22 inviro folks we met with on Friday. And let me provide a
23 little context and start the discussion and then Patrick
24 can pick up from there.

25 Very quick background because this could
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1 announcement. One of them is the fish aspects, the fish
2 measures that we're proposing and the second one is the
3 toolbox measures. I will deal with the fish measures and
4 the toolbox of measures that goes along with this
5 package, Patrick will discuss.

6 What our announcement does is says for the
7 next five years we will implement B2 as a package of fish
8 measures using water for -- largely for fish, and a set
9 of toolbox measures which are to deal with some of the
10 impacts of the fish measures.

11 Different things we can do to ameliorate
12 some of the effects to assist in developing these fish
13 measures and utilizing these fish measures. There are
14 eight measures that we're talking about. They come with
15 various adaptive management experimental aspects that
16 will go right along with this package.

17 The five years reflects two things. First
18 of all, it gives us some time to learn more about how
19 these measures work. And second it's a period of time
20 when we are all hopeful that some of the impacts and
21 benefits of the Bay-Delta approach will begin to show up.

22 In other words, more water will begin to
23 show up on the scene allowing us to move forward with new
24 information from the fish measures and hopefully some new
25 water or better ways to use water to deal with measures

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1 that are concerns of the ag and urban interests.
 2 What we've described though, and I'm going
 3 to read an important sentence in here, is that this is a
 4 package and that Interior is committed to implementing
 5 both environmental measures and toolbox measures
 6 expeditiously and with equal effort. The effort there is
 7 to try to indicate to the various factions concerns
 8 interests, stakeholders, as you will, that we understand
 9 the implications, the possible implications for fish, the
 10 potential negative implications for water users, and that
 11 we're going to try to do this in a way with the
 12 combination of these things so that there will be
 13 hopefully as a term we use, we can all get better
 14 together.

15 This is not easy and it's not all possible
 16 that measures can be -- or toolbox measures can be
 17 brought on, you know, immediately. But the effort is to
 18 try to show some linkage so that we can keep the various
 19 stakeholders all working positive towards the larger set
 20 of solutions that hopefully are arrived coming from
 21 Bay-Delta.

22 Very quickly I'm going to run through the
 23 measures in not a lot of detail for two reasons. I'm not
 24 that savvy about all the details, and second you could go
 25 on forever about any one of them.

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1 MR. PATTERSON: As Mike said, sort of a
 2 parallel effort has been underway along with the fish
 3 group to develop a set of tools that would both provide
 4 additional environmental benefits above and beyond the
 5 measures you just heard about but also to try to offset
 6 some of the impacts of meeting those measures on the
 7 water supply community.

8 So for the better part of the summer and
 9 early fall we had a fairly intensive round of stakeholder
 10 discussions as to a set of water management tools that
 11 might be able to help us take advantage of the existing
 12 system in ways that would help us do that.

13 Ultimately in putting together the
 14 package, we focused on four primary tools to help us do
 15 that. The first is to continue to aggressively use
 16 restoration fund money, that is B3 water for purchases in
 17 the upper Sacramento system. These would be purchases to
 18 meet high priority instream flow needs that have already
 19 been identified in both the AFRP, that is the anatomous
 20 fish restoration plan as part of CVPIA and also as part
 21 of the CalFed ERPP.

22 So we really believe that this is sort of
 23 a, what I would call a down payment in many respects
 24 toward meeting the ERPP goals particularly on the
 25 Sacramento River side.

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1 The measures we're talking about, as I
 2 mentioned there are eight. The announcement indicated we
 3 will do all eight measures starting next year for five
 4 years. And as your package shows in appendix A, there's
 5 a description measure by measure what those -- what they
 6 are. Some of them have a few details -- obviously some
 7 may have more than a few details to be worked out, but
 8 the really excellent work of the fish group through the
 9 summer and the fall allowed us to figure out how to
 10 perform these measures, get the fisheries benefits while
 11 not unnecessarily using anymore water than we needed to
 12 in some cases, allowed us to develop triggers for
 13 measures so that we know when to term them on and turn
 14 them off. Allowed us to develop the experimental design
 15 for the measures.

16 In other words, we went a long step
 17 forward into true adaptive management. It is our
 18 intention to try to keep the fish group intact as we go
 19 through the five years so that we can carry forward with
 20 the good work that's been done to date.

21 In addition to these eight measures, there
 22 is a water reserve account that is both a potentially a
 23 measure or a toolbox item that it shows up, and Patrick
 24 will discuss that. That is potentially a number nine
 25 here depending how it works. Patrick.

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1 The second tool would be to implement
 2 what's known as a joint point of diversion which is to
 3 take advantage of the flexibility of having the two
 4 pumping plants to be able to use them interchangeably,
 5 and able to provide more flexibility when we move water a
 6 round.

7 Now keep in mind this would be taking
 8 advantage of only in situations where you're already
 9 meeting the measures that Mike described and were already
 10 meeting all existing Bay-Delta standards and Endangered
 11 Species Act requirements.

12 So the idea would be take advantage of
 13 those times when there's excess water in the system
 14 either because you have more water in the delta than
 15 available to meet the existing requirements in general or
 16 because you got more water because of the Sacramento side
 17 purchases.

18 There's a window of an opportunity to be
 19 able to export some of that water for both environmental
 20 purposes and water supply purposes. A portion of that
 21 water would be diverted to put into a reserve account as
 22 Mike suggested to provide us a buffer against situations
 23 where we may have problems in the delta with exports,
 24 take restrictions might get violated, some of the
 25 triggers that Mike described that go along with these

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1 measures may get -- may cause us problems with meeting
2 the measures.

3 I think most folks think it would be very
4 valuable to have some water for the environment banked
5 south of the delta, provided south of the delta to
6 provide us an insurance policy, depending on how these
7 measures get implemented and what we find their impacts
8 are on the fish and wildlife of the delta.

9 So certainly a portion of the water that
10 would be exported through the Joint point would go into
11 the reserve account. It would also go to try to meet
12 additional needs of refuge south of the delta. Another
13 environmental benefit. The remainder then could
14 potentially be used for ag and urban water supply to help
15 offset the impacts of the package.

16 So those are two of the measures.
17 Sacramento River purchases and Joint point. The third is
18 ground water banking. There are situations when we can
19 export water through the Joint point but you simply don't
20 have any place to put it. In the short term.

21 We can put some of that water into the San
22 Luis Reservoir, but if San Luis is about to be filled it
23 would be nice to have some ground water storage to be
24 able to make sure that we got that water available when
25 we need it. So ground water banking in some form or

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1 some of the impacts on water supplies of the measures
2 that Mike has described.

3 Just to anticipate then some of the
4 reaction that we've gotten already, I'll try to do that
5 quickly and then we can hear from the folks that are
6 here. Both sides continue to be concerned about the fact
7 that we are not making an explicit accounting decision
8 over the hundred thousand. Instead what we announced in
9 June and we continue to propose as part of our latest
10 package is that we focus on the measures that Mike has
11 announced and try to put together a package of tools
12 whether they B1, B2, B3 other tools that we've talked
13 about in an attempt to meet those measures and try to the
14 extent we can offset the impacts of trying to meet those
15 measures.

16 Secondly there continues to be debate
17 swirling around the measures themselves. I think the
18 fish group did a tremendous job trying to bridge some of
19 the differences that have existed on those measures. We
20 certainly are not at a point where we can say there's
21 total consensus, but I think at the same time we're
22 feeling a lot more comfortable with the fact they have
23 been modified to be more flexible, better adapted to
24 hydrology, most tools in there to try to make them work
25 more effectively both for fish and water supply.

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1 another is another tool that we're looking at.

2 There's a number of different places where
3 that might go. Current water bank, couple places that
4 Matt has suggested that he's been negotiating that we'll
5 be working on over the next couple weeks to see if we can
6 firm up those supplies.

7 And then fourth, land retirement is
8 something we have listed as a potential tool. As most of
9 you know there's a CVPIA land retirement program that is
10 under way. It is difficult to estimate exactly what
11 benefits we might get from that. In some cases the
12 interior will be buying land and water and in other cases
13 just the land. So we have not attempted to put any kind
14 of water supply gain or water liability gain on that.
15 But we do think it's appropriate to emphasize that the
16 department does intend to begin more aggressively
17 implementing the land retirement program as part of CVPIA
18 and certainly that will provide some water supply
19 reliability benefits even in the short term.

20 Those are the basic tools that are under
21 discussion right now. We have not work out all the
22 details, but I think the bottom line is we're looking at
23 in effect increasing the size of the pie as CalFed is
24 trying to do in the long-term in the short term period to
25 provide more water for fish and also to try to offset

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1 So we think we made some great strides in
2 that arena. That process will not end. The fish group
3 in some form will continue to exist to help us try to
4 monitor or track the measures to make sure we're getting
5 the intended benefits out of them.

6 Beyond that, I think there's been
7 certainly a lot of concern expressed about the tools
8 themselves. On the environmental side there's concern
9 that the purchases that we envision on the Sacramento
10 side are high priority purchases and so we're going to be
11 closely looking at that to the extent those line up with
12 high priority AFRP and ERPP purchases and priorities up
13 in that part of the system.

14 Secondly, the environmental community has
15 raised issues with regard to cost sharing for those
16 purchases. Their argument has been in effect, we are
17 using ecosystem restoration money for both instream flow
18 needs, but also to help offset impacts. If that's the
19 case they argue there ought to be some cost sharing
20 there.

21 We are fully evaluating all potential
22 sources that we have to try to make these measures work.
23 As most of you know most of the money we do have is
24 ecosystem money but there may be some other tools that we
25 have available.

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1 Thirdly, they are concerned about the
2 joint point of diversion, exactly how that's going to be
3 implemented. So we need to do some more work with all
4 sides to clarify exactly how that's going to be
5 operating.

6 On the water supply side of the
7 agricultural side they are also raising concerns about
8 accounting and the measures themselves. Their principal
9 concern seems to be an issue that I'll call linkage
10 between the measures and the tools.

11 As Mike said as he read the language, our
12 position is that we are equally committed to both in the
13 package, that it has to be a package deal. And I think
14 that's probably going to continue to be the case with the
15 final proposal. We're committed with all of our energy
16 and our resources to make both the tools work and the
17 measures work beginning with the next water year.

18 The water folks have also raised an issue
19 of what they call the outlier years, which is to say that
20 through these tools we may be able to offset the impacts
21 on average but there may be some situations, we're not
22 sure how many years, maybe 10 percent of the years, where
23 the impacts were quite a bit higher than the average
24 numbers.

25 So we're having some further discussions
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1 MR. MADIGAN: Want to get a mic.

2 MR. GRAFF: That's all right. I can speak
3 from my seat.

4 MR. MADIGAN: Okay.

5 MR. GRAFF: When this agenda item was
6 noticed, originally as I understood it from a
7 conversation I had with Mary Selkirk, one of the purposes
8 of it was to hear a response from the Bureau of
9 Reclamation to issues that came up at the last BDAC
10 meeting regarding Westlands water use over the last
11 couple years in particular, and over time somehow that
12 has slipped from the scene here. At least I see Patrick
13 there but Bureau and Roger Patterson who I understood was
14 going to make that presentation is not here.

15 However, the issue bears on the B2
16 discussion so I put these materials up. They also appear
17 in the appendix of the packet that we have here so people
18 can refer to them there also.

19 Secondly, I just want to comment I thank
20 Patrick for his clarification at the end of his remarks,
21 but as you may have heard earlier in the day I said that
22 I was concerned about the ag, urban takeover of the B2
23 discussions and he wasn't completely clear I guess about
24 why I might have been concerned about that.

25 What transpired was James Waldo the
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1 about how -- to what extent we can help deal with that
2 situation through the tools that we've got.

3 So that's a quick summary of the proposal
4 on the measures side and the tools side, some of the
5 reactions that we're hearing in terms of the process. We
6 have another meeting this afternoon with the water users
7 and the environmental community. We had somewhat of a
8 miscommunication how the meeting was set up. Originally
9 some of the water user folks said we're under the
10 impression that it was just with the few ad folks. We
11 corrected that but we didn't get out a notice --
12 unfortunately we didn't get out a notice on Interior
13 letterhead to clarify that we in fact are running the
14 meeting and we want all sides there. So we want to make
15 sure that message gets out.

16 Beyond that we're also going to continue
17 to meet with all sides both together and separately to
18 try to put together as Mike said a package that helps us
19 all move forward. We do still anticipate having a final
20 decision on November 20th. Then we can continue to build
21 upon as part of this process.

22 MR. MADIGAN: Thanks Pat. Thanks Mike.
23 Questions. Comments. Tom.

24 MR. GRAFF: Yes. Amazingly I have two
25 overheads.

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1 facilitator of the ag, urban discussions who has, as you
2 know, EDF in particular has objected to throughout the
3 last nine months or eleven months as a potential mediator
4 for three-way discussions largely because of his role in
5 also mediating the state water project settlement of late
6 1994 which excluded environmentalists from participation
7 sent the notice out saying come to Mr. Waldo's office or
8 come to a forum sponsored by him to discuss the B2
9 situation.

10 I felt that was wholly inappropriate to
11 invite environmentalists to such a gathering but I guess
12 now the clarification is that the federal officials are
13 the host, not Mr. Waldo, and EDF will appear.

14 Now to the substance of what we're talking
15 about. First let me say there are major positives in the
16 B2 decision that was announced last week. Probably the
17 most important single one is that we finally have a
18 decision of some kind five years after the passage of
19 CVPIA almost to the day. Five years and a day in fact,
20 after the bill was signed into law by President Bush.

21 Secondly, there are a lot of good fish
22 measures in there that will be protective of fish and
23 wildlife in the ecosystem and fish and wildlife service
24 should be commented forward that.

25 Third, and this has largely gone unnoticed
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1 In the last few days, the decision practically if not
2 explicitly rejects the position taken by Governor Wilson
3 and by a significant number of state legislators in
4 August when they took the view that no additional water,
5 federal water, beyond the Bay-Delta Accord could be
6 dedicated to a fish protection. That obviously is not
7 the case and wasn't the case then and a lot of people
8 wasted a lot of time responding to that.

9 Finally, sort of a technical point of
10 view, the baseline being used here and this is slightly
11 beyond my expertise, but I'm told by the people who know
12 that sort of stuff that the baseline used for the fish
13 measures is sort of a operational and modeling baseline
14 is a good one. There are however major problems with the
15 B2 decision. Let me throw out a couple of them. Patrick
16 kind of alluded to several of them already.

17 First, there's no accounting for the eight
18 hundred thousand acre feet. We don't know whether eight
19 hundred thousand acre feet is being dedicated to fish and
20 wildlife or not. That's kind of being hidden in the
21 so-called package.

22 Secondly and equally importantly the
23 different ways CVPIA set out for protecting fish and
24 wildlife and for in particular reaching the prime goal of
25 that statute, prime environmental goal of doubling

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1 tools. I suppose this is -- I'm going on probably too
2 long as it is, so I'm not going to deal with those
3 explicitly, but let me just say for the record we will be
4 addressing those in other places.

5 I will question though in general whether
6 there is any need for tools. That's where these charts
7 come in. The principal point of the tool is to -- use of
8 these tools supposedly is to make the west side San
9 Joaquin valley agricultural contractors whole.

10 And as we know, over the last several
11 years there have been large outcries from the west side
12 about how many water shortages they have been forced to
13 endure and that the Central Valley Project has reduced
14 their contractual deliveries by a significant amounts
15 even in years that were wet.

16 So the point of the chart on the right in
17 particular is to show that in the last two years this
18 year and last year, the deliveries to the Westlands water
19 district in particular have been far above their
20 contractual deliveries. Their contract is a million one
21 fifty, their deliveries over those two years, one three
22 ninety-two and one four thirty-seven.

23 Some of those are transfers. Those don't
24 count. But a big category there is supplemental water
25 which to this day neither of the bureau nor Westlands has

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1 natural production of anadromous fish, there were several
2 distinct provisions in the law.

3 Shorthand among them were B1, B2, B3. B1
4 being reoperation. B2 being dedicated water. And B3
5 being restoration fund -- use of restoration fund monies
6 particularly for water purchases.

7 What this package does is it combines all
8 three, put them all in one hard to unravel, maybe
9 impossible to unravel group so that you can't tell
10 whether -- which of those particular mechanisms is being
11 used or which combination is being used in the adoption
12 of particular fish measures or for that matter so-called
13 tools.

14 And that raises a big problem because from
15 a legal point of view, someone counseled the Secretary of
16 the Interior to make an inherent finding that no
17 additional measures are required over the five years for
18 fish and wildlife protection. A finding that normally
19 one would have thought would have been based on science
20 but that is required by law if water that otherwise would
21 have been dedicated to fish and wildlife within the eight
22 hundred thousand acre feet could not be used for that
23 purpose but could be delivered to contractors.

24 There are specific problems with the
25 particular fishery fish measures and with particular

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1 adequately described. And for comparison, which is very
2 interesting, in these last two years the average water
3 use for the first four months of the respective water
4 years, that's the third line from the bottom six hundred
5 twenty-four thousand in one year and five hundred and
6 nine thousand in another well exceeded the average that
7 Westlands received over the ten years prior to the
8 alleged environmental constraints of ESA and Clean Water
9 Act, recent Bay-Delta Accord and so on came into play.
10 If you just look at that for the last two years you see a
11 story of not shortages but surplus.

12 Then the chart on the left is compiled --
13 was compiled by Trina Schneider of EDF. It's an attempt
14 to understand why when one asks the bureau and Westlands
15 for specific water supply numbers one gets all kinds of
16 different stories at different times. That material
17 is -- again we have been expecting a response for months
18 but haven't yet received.

19 What it shows is the bureau rate book
20 shows very different deliveries to Westlands than
21 Westlands shows. Westlands itself shows different
22 numbers and different pieces of correspondence and so on.
23 So maybe BDAC meeting we'll finally join that issue with
24 the bureau. I don't know.

25 But it does raise the question why are we

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1 implementing these tools to benefit particularly the
2 Westlands Water District and the west side? It doesn't
3 compute.

4 And then to make matters worse why are we
5 using the CVPIA Restoration Fund and Bay-Delta Security
6 Acts monies which were explicitly limited and are
7 explicitly limited in law to use for environmental
8 restoration for these purposes?

9 That it seems to me is a set of questions
10 that all of us ought to address. The CalFed program
11 ought to address, the federal government should rethink,
12 and is up for discussion.

13 MR. MADIGAN: Thank you. Mike or Patrick,
14 do either one of you want to respond to Tom's points?

15 MR. SPEAR: Well, I particularly want to
16 respond by thanking him for those good things that he
17 found although that was a minor part of the overall
18 discussion.

19 As far as the latter points, you're
20 largely talking about the toolbox, and I think we
21 acknowledged on Friday that that was the part of the
22 overall package that needed the most work. That's what
23 we're continuing to do these next three weeks. The
24 meeting this afternoon continues and this is all
25 information that will be brought to bear I'm sure. I

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1 That's certainly an issue that continues
2 to be raised. I think we feel given the lack of
3 consensus on accounting that it makes sense as a package
4 to focus on what are the measures we want to implement
5 for fish for the next five years and beyond and then
6 let's use all the tools we have available to try to both
7 meet those measures and try to minimize the impacts of
8 meeting those measures where we can. We think that's
9 consistent with the act and is also the best way to help
10 move this process forward in a way that's consistent with
11 CalFed.

12 MR. MADIGAN: Sunne.

13 MS. McPEAK: Michael and Patrick, do you
14 concur in the numbers that are up there?

15 MR. SPEAR: I haven't the slightest. I've
16 never seen those numbers before so I don't know.

17 MR. MADIGAN: Brent Waldo of the Bureau of
18 Reclamation, go ahead.

19 MR. WALDO: Chairman, we have been in
20 receipt of several letters and correspondence between
21 both Tom Graff at EDF and Dave Worth at Westlands. Dave
22 Worth has submitted to us what he understands what
23 Westlands' deliveries to have been for the last ten years
24 and we have our staff now reviewing these numbers as well
25 as looking at our own records.

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1 mean, we do not disagree that we have a lot of work to be
2 done on making the toolbox work for all sides.

3 MR. MADIGAN: Okay. Other comments.
4 Happen.

5 MR. DUNNING: I apologize, this is a
6 pretty basic question but I haven't attended any of these
7 B2 meetings. Patrick, is it Interior's position that the
8 toolbox measures are mandated by CVPIA? And if so can
9 you explain where that's found in the CVPIA?

10 MR. PATTERSON: No. What we're saying in
11 the proposal, as Mike said, is we view this as a package.
12 Clearly, the law requires us to implement B1, B2, and B3.

13 We are doing that to the extent to which
14 the tools are using B1, B2, and B3 one can argue whether
15 or not they are mandated.

16 What we have said in the proposal as Mike
17 said, is we are moving ahead with both parts of this
18 package, both because the law requires that we move ahead
19 with implementation of CVPIA and because we think the
20 tools are essential to do so in a way that minimizes
21 water supply and backs and allows us to move forward. So
22 I know I'm not directly answering your -- It's hard to
23 in -- the idea was to take some of the yield away and
24 dedicate it to environment which suffered so greatly from
25 the CVP.

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1 MS. NOTTOFF: Are they in the back of our
2 package?

3 MR. WALDO: No, they are not. The
4 correspondence, yes.

5 MS. NOTTOFF: The correspondence you're
6 referring to is at the back of the packet.

7 MR. WALDO: Yes. Exactly.

8 MR. GRAFF: Not page two of a couple of
9 the letters.

10 MR. WALDO: So we are reviewing both our
11 records as well as theirs for consistency to see where
12 there may be discrepancies or where there maybe
13 inconsistencies and Roger had hoped to present that at this
14 meeting but was unable to do so. So we will probably do
15 that at the next meeting. At the very least we will
16 commit to providing a letter to Tom which is currently
17 being drafted based on the data we'll find out in the
18 next couple weeks. That's where it stands at least with
19 the bureau.

20 MR. MADIGAN: Okay. Thanks.

21 MS. McPEAK: It's helpful to get clarified
22 what went on when I had asked it be scheduled for this
23 meeting. I'm gathering, Lester. It was that Roger was
24 not available but you're committed to Roger and the
25 bureau being here on December 12.

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1 MR. SPEAR: If that's the wish of this
2 body, certainly.
3 MS. McPEAK: I want to ask, Mr. Chairman,
4 if there's any objection around the table.
5 MR. MADIGAN: That would be entirely
6 appropriate. Absolutely.
7 MS. McPEAK: I thought it was to be
8 scheduled. And so everybody's credit is on the line
9 including mine about when I say when I thought there was
10 concurrence that it would be on the agenda that it didn't
11 appear on the agenda. So now I'm answering also
12 everybody else's question how come it's not on the
13 agenda.
14 MR. MADIGAN: Ann.
15 MS. NOTOFF: Point of clarification.
16 Sunne, to answer your question, certainly if you look at
17 this letter from Department of Interior it says it
18 concurs that these numbers are correct. Right Brent? I
19 mean you signed the letter.
20 MR. WALDO: I said, no, it concurred that
21 this year's numbers are correct. Not all of Westlands
22 numbers for the last ten years are correct.
23 MS. NOTTOFF: But the numbers on this
24 chart.
25 MR. WALDO: The numbers on the chart on
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1 the board, yes. No. Well keep in mind what we talked
2 to, if you look at the letter, one million zero three
3 zero is correct. Westlands will receive up to that
4 amount under its allocation this year. That is ninety
5 percent of their contract supply. That is what that
6 letter says.
7 MR. MADIGAN: Rosemary.
8 MS. KAMAI: I just wanted to make some
9 general comments and not really just focus on one water
10 user. I think Tom is right. We have come a long way,
11 and we really appreciate Interior's efforts on this,
12 although we do have concerns about the plan. And I think
13 Patrick mentioned average year impacts.
14 I think we need to continue to resolve the
15 issues, and I think that the stakeholder process needs to
16 continue and bring in the environmental community as much
17 as possible just as the ag community and the urban
18 community have come to the table.
19 I think that the importance in the linkage
20 to the long term CalFed solution is going to be important
21 in this, and to focus on -- I think Mike said it earlier,
22 getting better together, bringing the environment and
23 water users to consensus.
24 I also believe that even though we need to
25 keep process moving, the comment period is very, very
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1 short. I believe it's only twenty days. So a lot needs
2 to happen within a short period of time. But we do want
3 to commend Interior for getting us this far because last
4 year we were not there yet. A few months ago we were not
5 there.
6 MR. MADIGAN: Thank you, Rosemary. Bob
7 and then Stu.
8 MR. RAAB: Once again I am flaying
9 asunder, at the fact that there is no coherent balance
10 sheet for water consumption in California. It's
11 particularly true of ag water. And is it unreasonable to
12 know who gets how much water? The people of California
13 own the water, why can't we be told who gets our
14 investment? Who gets our water?
15 This gets back to a fundamental issue.
16 There's no base -- there's no coherent baseline that I
17 can be sure is accurate when we use water figures. And
18 it seems to me maybe the California Water Commission
19 might consider this matter. Have you ever talked about
20 this or are you satisfied with how water use is reported?
21 How consumption is reported in California?
22 MR. MADIGAN: Fair question. That's a
23 fact. There certainly are, you know, stacks of reports
24 that purport to represent California's water use, but I
25 think the way you've framed the question is fair.
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1 MR. RAAB: Are you referring to D60
2 tables?
3 MR. MADIGAN: Yes.
4 MR. RAAB: They don't cut it in my mind.
5 This is a good example of the reporting just isn't there.
6 At least we don't believe -- I don't believe it's
7 reliable or credible.
8 MR. MADIGAN: Okay. All right. Thank
9 you. Stu.
10 MR. PYLE: Somehow I have failed to grasp
11 the issue that we're dealing with here. I understand the
12 announcement of the settlement of the B2 waters, the
13 Joint statement put out by the Bureau of Fish and
14 Wildlife, but I fail to grasp why and how the discussion
15 of Westlands water use enters into this. Whether there's
16 some charge against either the Bureau or the Fish and
17 Wildlife of improper actions or if it has an impact on
18 the deliberations of BDAC I can see that having a
19 settlement of the eight hundred thousand acre feet of
20 water is important to operators as they begin to try to
21 figure out how to integrate that into current operations,
22 how they need to augment it and meet it with additional
23 flows and so forth.
24 But it completely befuddles me as to why
25 BDAC is being presented with a case of EDF charges
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1 Westlands or the Bureau with some type of malfeasance in
2 moving water around California and why that should be
3 brought before this forum.

4 MR. MADIGAN: Hap.

5 MR. MR. DUNNING: Why don't we try and
6 answer Stu's question. I think it's a good question.
7 Let me give you my answer and see if it helps at all.

8 Time and again in our BDAC discussions we
9 seem to come back to assurances and put a great deal of
10 weight on assurances and in the environmental community I
11 think there's a sense that we look at CVPIA
12 implementation to see all right when something's in black
13 and white and past in a solemn way by the congress what
14 really happens. Do we get what we expected?

15 And the answer I get from Patrick is well
16 the government's going to implement the law if we can
17 cover the people who might be disadvantaged by the law.
18 If it kind of reminds me of saying if a tax payer owes
19 money to the government we're only going to collect those
20 taxes when we can make you whole in some other way.

21 CVPIA was a promise by the congress that
22 after decades of degradation to the environment from the
23 CVPIA something would be done. And one of the major
24 things was have reallocation of the eight hundred
25 thousand acre feet. And it's been so difficult to get

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1 back and protect the ecosystem and the CVP users have
2 made the case they are contributing and that's a
3 legitimate argument. They are saying we are already
4 contributing to that. But contributing to what?

5 I mean that's why it's such a big issue.

6 I think that Stu's point, why does it come to be BDAC,
7 it's just important for us to understand all of these
8 pieces. And CVPIA is a big piece of our overall solution
9 to CalFed.

10 MR. MADIGAN: Ann.

11 MS. NOTTOFF: Well, I don't want to point
12 out something that I guess I find kind of discouraging,
13 and that is that B2 is easy compared to CalFed. And what
14 I think the lesson to be learned there and the reason I
15 thank the staff in making time on the BDAC agenda to
16 discuss this is we've heard the reports back from some of
17 the breakout groups and each one of those talked. I think
18 quite clearly, about the concept of either getting worse
19 together or getting better together.

20 And I think that that concerns that a
21 number of us have is that some people seem to be getting
22 better than others in this solution. And I think that,
23 you know, it's instructive for us to try and avoid that
24 and be more equitable in the CalFed process.

25 MR. MADIGAN: Thank you. Sunne.

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1 that done in a way that helps the environment in the way
2 congress apparently intended in 1992.

3 I don't know if that makes any sense. Stu,
4 but to me it comes back to how we really implement
5 promises that are made when some program is adopted.
6 Whether it's a CalFed Bay-Delta program or whether it's
7 this other 1992 CVPIA program.

8 MR. MADIGAN: Roberta then Ann.

9 MS. BORGONOVO: I wanted to go back to the
10 issue in which the way the toolbox is being used. My
11 understanding is that the use of the toolbox is to lessen
12 the impacts on the users. So when you're buying water on
13 the Sacramento tributaries isn't it part of the decision
14 that the water can be picked up again and redistributed.

15 So I thought that that was the link that
16 Tom was trying to make. But what was important to me is
17 the use of the ecosystem restoration fund. And in the
18 ERPP discussions and in the finance discussions, those
19 ecodollars are used over and over again as the basis for
20 solving all of our problems. And part of the problem is
21 they are not being used for the ecosystem restoration.

22 So it's just a really important issue.
23 Because it goes back to Hap's point that we're trying to
24 put together assurances. And one of them is that you'll
25 have this funding which you will really be able to go

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1 MS. McPEAK: Thank you, Mr. Chairman.

2 Lester, at the last meeting in September we had a report
3 on B2 and I think Jason and Steve and Tom -- pardon?

4 MR. HALL: And Berry.

5 MS. McPEAK: And Berry, right -- suggested
6 that -- I mean there was a hope of moving through to some
7 resolution. And actually I'm encouraged as Tom has said
8 that we're at this point with a proposed resolution here.

9 I had followed up that discussion to ask
10 you how does this fit in to the CalFed discussion about
11 the ecosystem, the estuary restoration or rehabilitation.
12 And in part you responded we don't now how it's being
13 accounted for; therefore, how we would evaluate the ERPP
14 against what is the no project alternative which assumes
15 CVPIA implementation and eight hundred thousand acre feet
16 dedicated to the environment.

17 Furthermore -- so I'm -- what I want to
18 ask is if you in December could also take this and
19 comment, report on, how this does relate to the CalFed
20 process and the account as you look at the accounting
21 what this means, what the implications are for the people
22 from restoration.

23 Second question, which you may want to
24 comment on in December but might have some initial
25 observations, relates to the use of the dollars.

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1 ecosystem restoration dollars, for implementation here
2 and how you see the connection and justification for
3 that.

4 MR. SNOW: Certainly we do need to look at
5 that in more detail. I think the concept that Patrick
6 was alluding to is one we've discussed in a broader
7 basis. And that is, trying to develop a master funding
8 matrix of all of the different funding sources that could
9 be used for any of these beneficial activities that we've
10 identified. Whether it's land acquisition or money to
11 buy water for flows or any of those kinds of activities.
12 I think we need to put together that funding matrix.

13 The bottom line is some funds will not be
14 appropriate to implement some of the tools. But the
15 question there may be some funds that in fact are
16 appropriate.

17 The other issue that's difficult to
18 evaluate at this level of detail is there could be some
19 conjunctive management projects that we would want to
20 implement for the long-term program that may be
21 beneficial to dealing with these B2 flows.

22 So we want to look at those to see if they
23 can be funded for purposes of long-term water supply for
24 ecosystem purposes and evaluate does it make sense to do
25 it now and provide these interim benefits?

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1 maybe you can separate it out, but in many ways it
2 doesn't make sense.

3 This is larger package which has the
4 interest of the California people in total, but the key
5 stakeholder groups of ag, urban environmental are all
6 sitting at this table, they're sitting around all the
7 tables, and they're looking at any one of these pieces
8 and pulling them out and fundamentally you get down to
9 this point of this principle we have used of getting
10 better together. I think that's what Bay-Delta's all
11 about.

12 We have used that principle here stepping
13 into, in essence moving into a Bay-Delta way of doing
14 business. It's with everything with Bay-Delta very
15 centrally on our minds that we have structured the
16 decision this way.

17 It is not lost on us that this isn't a
18 neat CVPIA solution as written in 1992 because this isn't
19 1992. If we do this right, the various factions that are
20 sitting around this table and elsewhere continue to work
21 together productively as Senator Costa said last night,
22 and move everything forward or we can take CVPIA and
23 pretend that it's all by itself and separate it off and
24 try to reach a neat little solution as passed in '92.

25 If we do that, there's a high potential

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1 Those are issues that I don't think
2 there's going to be easy answers to, but I think the
3 bottom line is we need to look at all of the available
4 funding sources and local partnerships for funding. Any
5 of those different tools as they are further developed in
6 hopefully the next several weeks.

7 MS. McPEAK: Will you be able to provide a
8 fuller assessment or analysis of this on December 12?

9 MR. SNOW: Yes. Because as one bottom
10 line any effort to look at using Prop 204 monies or any
11 of the other monies allocated to CalFed needs to go
12 through a public review process and public comment
13 process.

14 MR. MADIGAN: Mike.

15 MR. SPEAR: I want to address several
16 points that have been brought up going back to some
17 things Ann said and, Sunne, points you've raised, and
18 Lester's comment.

19 I think what this brings up is the dilemma
20 we have faced in the CVPIA context of this in the midst
21 of a larger Bay-Delta process trying to isolate this
22 little piece and pretend that it was entirely separate
23 from everything is going on.

24 And Roger Patterson and I believe that
25 when you look at it that way in concept or in one sense

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1 for establish -- not establishing the sort of productive
2 relationships that will help this process move forward.
3 Everybody believes that this process is where the
4 long-term answers are. For the environment, for water,
5 for ag and urban. And we have worked on this with that
6 thought in mind.

7 Now specifically to another point. Having
8 made the announcement on Friday and quickly getting a
9 reaction and as I've already acknowledged, that there
10 seem to be more holes in the thought process on the
11 toolbox than there was on the measures.

12 We agree with that. So we are going to do
13 a crash effort to try to construct something that is more
14 satisfactory to the various groups. I suspect it will
15 not be satisfactory when we get done because it's a very
16 short period of time. But it will very likely can be
17 better than what we put out on Friday. But we have very
18 purposely included the potential for using CalFed money
19 because some of the things we've talked about here are
20 the very things that Lester and his staff talked about
21 yesterday and today.

22 And this is basically saying let's get
23 started on those because they can relieve some of the
24 pressures and tensions and show everybody, show all the
25 factions that we want to work together. From the federal

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1 side, from the state side, and that's what we're urging
2 be brought into this decision, not because it neatly says
3 that in 1992, but because this doesn't have to be
4 contained in that small package.

5 Well, that's enough. Before I ramble on
6 too much more.

7 MR. MADIGAN: Tom.

8 MR. GRAFF: I think conceptually I agree
9 with what Mike Just said, what Lester said earlier, but
10 let me point out something. When Mike spoke earlier he
11 explicitly referenced, as did Patrick, a sentence in the
12 proposal that reads: As discussed above, Interior is
13 committed to implementing both the environmental measures
14 and the toolbox measures expeditiously and with equal
15 effort.

16 I would note that the document goes on to
17 say the following. Beyond that commitment, however,
18 there is no linkage between the two sets of measures.
19 Interior is not attempting to maintain any particular
20 notion of proportional implementation or temporally
21 linked implementation. As noted above, one measure
22 described in Appendix C, the water reserve account is
23 still being developed. So on.

24 I think that's very instructive. The
25 water reserve account which is described very -- in very

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1 It is the water users' belief that these
2 measures are over and above the eight hundred thousand
3 acre feet. That is point of controversy. We are not
4 exactly thrilled with every element of this plan. For
5 instance, the statement Tom just read, the lack of
6 linkage is a matter of some concern. Because while the
7 measure's being taken for the benefit of fish, our very
8 firm toolbox measures are still pretty fussy.

9 Nevertheless, because of the difficulty
10 with this issue and because of what Mike Spear said, the
11 need to try to integrate CVPIA and CalFed into an overall
12 effort to rehabilitate the ecosystem, while maintaining
13 water supply reliability is a good thing and we're
14 willing to stay engaged in the process to try to make it
15 work for both the environment and for the water user
16 community.

17 I'm sure we'll have other opportunities to
18 disagree about the details. I mean, I suppose we could
19 debate this point by point today, but frankly I don't see
20 what purpose it serves. Because while I've not had the
21 misfortune, others have been involved in this thing for
22 literally hundreds of hours.

23 And it is clear that CVPIA and CalFed are
24 linked, should be linked. What is less clear to me is
25 what BDAC can constructively do to help the process

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1 rudimentary form in Appendix C is a good idea. It's the
2 conjunctive use idea that Lester referred to earlier.
3 When there's extra water you want to put it somewhere.
4 And it can then be -- beneficial use can then be made of
5 that water at a later time when water diversions have a
6 greater environmental impact.

7 However, it makes a big difference whose
8 water that is and who pays for it. If it's environmental
9 water and the public pays for it or it's already been
10 allocated to the environment as a result of the
11 congressional action in 1992, that's one thing.

12 If, however, that water is then pumped out
13 of a ground water storage area such as the Kern water
14 bank at great cost and it goes to the benefit of specific
15 water users, they ought to pay for it. That's our point.

16 MR. MADIGAN: Thank you. All right. I
17 have Mr. Hall.

18 MR. HALL: Like Hap, I have not been
19 directly involved in this and my assessment of the
20 situation that we find ourselves in is that Interior has
21 taken a very controversial issues, that is, the
22 accounting of the eight hundred thousand acre feet, and
23 for a variety of reasons has decided not to account
24 specifically for it but has intended -- instead laid out
25 a plan.

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1 along. We've got a lot of talent around that table
2 already. To the extent BDAC can help, we should because
3 it's an important issue, an important part of an overall
4 issue.

5 I'm not sure how much we can help.
6 Particularly in areas like this, some rather arcane water
7 accounting which we did not see until Tom flashed it up
8 on the screen. I don't know how to respond to that, Tom.

9 For one, I don't know enough about the
10 bureau's accounting methods or Westlands'. Another, I
11 didn't see it until you put it up on the screen. I can't
12 respond. There's no way that anybody around this table
13 really can realistically respond to it.

14 So while I think we need to get updates on
15 how the B2 issue is going and how this is going, I'm
16 unclear as a forum what we can do beyond the kind of
17 discussion we've had today with the limited amount of
18 time that we have every couple of months, what we can do
19 to help.

20 So I guess I would hope that we would wish
21 Tom and Mike and the other folks involved God speed,
22 bring us the solution, let us know when you've got it.

23 MR. MADIGAN: Okay. Thank you. I have
24 two requests from the public to speak. David Orth
25 (phonetic) from the Westlands Water District followed by

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1 Jason Pelcher from the CVPWA.
 2 MR. ORTH: Thank you. I'll make this very
 3 quick and brief. First of all, I appreciate the
 4 attention from the general manager from Westlands Water
 5 District. It's very seldom Westlands is in the public
 6 limelight. So that is unique opportunity.
 7 Like Mr. Pyle, I fail to see a connection
 8 between Westlands water supply information and the
 9 question about B2. I think the better focus has been
 10 made an example of several times through this discussion.
 11 We need to look at how B2 is implemented. We need to
 12 make sure that not one acre foot more and not one acre
 13 foot less of the water allocated to the fishery under
 14 CVPIA is used properly and efficiently and for maximum
 15 benefit for the multiple purposes of the CVP.
 16 I would like to talk just a couple minutes
 17 about the data up here. I don't want to bore you but I
 18 will say that I did correspond, you have a letter in your
 19 packet today of some information that I provided BDAC in
 20 September that fully explained the sources of Westlands
 21 water supply.
 22 We have successfully accessed the water
 23 market. Something Mr. Graff himself had suggested that
 24 we do. The supplemental water supply comes from a
 25 multitude of sources and represents a very creative and
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1 somewhat drastic attempt to meet the needs and sustain
 2 agriculture in the central valley of California.
 3 As Mr. Waldo reported, I submitted to him
 4 this morning a ten-year history of Westlands water supply
 5 data. I would be happy to present that to each and every
 6 member of BDAC. I would invite Mr. Graff and his staff
 7 to come to our district and look at the records. I have
 8 nothing to hide.
 9 The ten-year data is going to show
 10 something that is unrefutable. We have been impacted by
 11 CVPIA implementation. Our long-term water supply under
 12 contract has been less than 70 percent in the preceding
 13 ten-year period.
 14 The numbers up here show substantial
 15 percentages of full contract in 1997-98 and 1996-97. We
 16 all need to recall that those were two of the wettest
 17 years in recorded California history, and you only need
 18 to go back two more years prior to see the above-normal
 19 precipitation period of 1993-94 where Westlands' contract
 20 allocation was five hundred and seventy-five thousand
 21 acre feet instead of the million one fifty that we're
 22 entitled to.
 23 Our total deliveries in that year were
 24 slightly over one million acre feet. Against a demand of
 25 one point four to one point five million in our district.
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1 That means that ground water was overdrafted or -- and
 2 both happened -- a significant amount of land was
 3 fallowed at an economic cost to the State of California.
 4 I would suggest to you that that's not something that we
 5 want to try to sustain.
 6 With respect to the discussion about the
 7 rate of usage, year-to-date water usage the last two
 8 years versus our long-term average, there are a number of
 9 factors there. One is mother nature, as you all know,
 10 defines the rate of agricultural water delivery, not the
 11 farmer. And secondly, as we have transitioned to a less
 12 reliable water supply our farmers have had to transition
 13 to significant different cropping patterns that change
 14 the water demands. Doesn't increase our total demand, it
 15 just changes the way the water's applied from month to
 16 month.
 17 Last point I want to make is the data on
 18 the left screen is very simply explained. There are
 19 going to be differences when you try to take the bureau's
 20 rate book for the period October through September and
 21 isolate one of our two accounts and try to compare it
 22 against the representation that I've made in a monthly
 23 newsletter to my water users about my total CVP
 24 allocation for a different time period.
 25 Again I'd be happy to sit down with Mr.
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1 Graff and his staff or anybody else interested to
 2 reconcile those differences. There's nothing to hide.
 3 There's no scandle here. What you have is a district
 4 that is struggling to survive some pretty uncertain water
 5 times, and we're constructively to try to resolve the B2
 6 issue.
 7 Last request I have is if in fact BDAC
 8 decides next month that it wants to have a full
 9 explanation of Westlands' water supply history back to
 10 the year 1963 when our original contract was executed,
 11 I'd request that I also be placed on that agenda and have
 12 that opportunity to speak as well. Thank you.
 13 MR. MADIGAN: You have my assurance if
 14 fact BDAC wants to explore Westlands' water supply back
 15 to the year 1963 you will be a part of the program.
 16 MR. DUNNING: Without undertaking all that,
 17 I just quickly want to ask Mr. Orth whether he's saying
 18 the two hundred -- nearly two hundred thirty thousand
 19 acre foot supplemental water entry for this year is from
 20 the market? Are those market transfers
 21 MR. ORTH: It's all market acquisition.
 22 MR. MADIGAN: Thank you.
 23 MR. MADIGAN: Jason.
 24 MR. PELCHER: Yes. I'm Jason Pelcher, the
 25 manager of the Central Valley Water Association and
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1 contrary to what others suggested earlier I think you
2 should just give up on the whole CalFed thing and
3 dedicate all your time and energy wrestling with CVPIA
4 issues. Thanks. No.

5 I do want to compliment Mike and Roger
6 Patterson and Patrick and Secretary Garamendi for the
7 work they've been doing here. It's been hard. If we've
8 spent hundreds and hundreds of hours of meeting they've
9 spent ten times that. Because they have to work with us,
10 they have to work among themselves and then they have to
11 do this thing with going back to Washington and trying to
12 work with those people. They've had a hard pull. And I
13 really appreciate the commitment to the notion that we'll
14 all get better together. The secretary spoke at length
15 about that on Friday. We certainly appreciate that. And
16 I also want to compliment you, Mike, on your recognition
17 and putting it on the table and let's deal with the fact
18 these issues are all interconnected. There's no
19 separating in the final analysis CVPIA from CalFed.

20 Patrick did a good job of articulating
21 some of our concerns. I just wanted to highlight six
22 concerns. Concern number one is that the fish measures
23 far exceed what Interior can hope to do with the B2
24 water. That gives rise to the need for a toolbox and a
25 package. And while we share with Tom -- we have

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1 environmental improvement as well as water supply
2 improvement that there needs to be more of a phased
3 approach. We need to -- and this goes with the linkage
4 between fish actions and toolbox -- we need to have a
5 gradual phased ramping up of these actions so we can make
6 sure we're getting the maximum environmental benefit and
7 water supply benefits simultaneously.

8 Assurances are talked about a lot.
9 There's -- that's work yet to be done. We have three
10 weeks to put an assurances package together that I think
11 it will end up being the glue that holds us together if
12 it's going to hold together.

13 We're also concerned that the package is
14 not explicit about water supply benefits we will get out
15 of this package. And I know it might be offensive to
16 some of the environmental community, but we really do --
17 what we think of when we say get better together, that
18 means we want some improvements in the water supply
19 infrastructure in the deal here.

20 And to help you understand maybe a bit
21 where that perspective comes from, if we look at '92 and
22 the environmental commitment that was made for the CVP,
23 by the CVP, if we look at the accord, the additional
24 million acre feet, if we look at the huge revenue
25 stream that's going through ecosystem restoration, I have

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1 fundamental disagreements, we do share a desire to see an
2 accounting for how the water's being used. Both from a
3 water perspective by acre foot and where but also a
4 biological accounting what the benefits derived from
5 those actions were.

6 That is a frustration that we've lived
7 with for five years now, and depending how this package
8 comes together we may have to live with that frustration
9 even further into the future because my read on what
10 Interior in part is trying to do is say, look, we could
11 just devour ourselves with time and energy on the whole
12 accountability and statutory interpretation. Why don't
13 we leapfrog forward and put a package together that gets
14 the water in the field or in the river -- I wish -- in
15 the river to do the maximum amount of good for the fish
16 in the shortest amount of time.

17 The second point is I think the -- many of
18 the toolbox measures are going to take more time to
19 develop and put in place. I think Patrick recognized
20 that that's a concern of ours and wouldn't anticipate
21 that the toolbox measures will be available on the scale
22 that where we're all kind of hoping for at this point as
23 '98 unfolds.

24 That gives rise to the need of something
25 that we think to make a logical package here and logical

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1 a hard time going back to my member agencies and saying
2 you can see, of course, we've had a very balanced and
3 approach to solving our problems over the last few years.
4 I can't say that because I can't point to any system
5 improvements that have occurred. I would bring to
6 people's attention, if we had not had flood flows on the
7 San Joaquin River, particularly if we had hadn't had it
8 this year, it would be fresh in our minds that we have a
9 million acres with a sixty percent supply on the west
10 side, what are you talking about yet another layer of
11 fish hatcheries for. So we got to keep in mind that is
12 hydrologically a reality out there even though we haven't
13 seen it because of three wet years.

14 I would -- my closing comment is -- has to
15 do with the next three weeks. I think we've got a lot of
16 work to do and I hope that all of you will us, all the
17 stakeholders can get together and try to make this
18 package come together in a constructive way over the next
19 three weeks. It's going to be very, very difficult given
20 how far apart we are. But I think we've got to remember
21 that -- I hope -- well, at least I hope we can recognize
22 that we all have the same goals in mind in the end and
23 getting to the point where we can recognize we have the
24 same goals and activate a program that gets us there is
25 going to be a real challenge, particularly when it's so

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1 easy to fight. Thank you.
 2 MR. MADIGAN: Thank you, Steve.
 3 MR. HALL: What I hope will be closing
 4 comment on this issue, I think we have seen a small
 5 snapshot of what it's like to live in the periphery we
 6 call B2. If you want more, see Tom, Jason, Mike, or
 7 Patrick to sign up.
 8 MR. MADIGAN: Okay. Thank you. While
 9 lunch is scheduled, we have a couple of people who are
 10 going to have to leave, and I'm going to try and see if
 11 we can't get a couple updates done before we break. And
 12 the first is HCP update. Mike, do you want to -- Sharon?
 13 Sharon. I am catching her off guard, I know.
 14 MR. MADIGAN: Yes.
 15 MR. DUNNING: Don't you anticipate there's
 16 going to be a lot of discussion with HCP as there was
 17 with B2? It's a major, major topic for many people. How
 18 can we have a quick --
 19 MR. MADIGAN: Hadn't anticipated it, that
 20 there would be a lot of comment. If there is, there is.
 21 MR. HALL: Haven't you read the
 22 correspondence?
 23 MR. DUNNING: I think it's every bit as
 24 important as the B2.
 25 MR. MADIGAN: I think everything on the
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1 general overview of the kinds of comments that we got
 2 from people.
 3 One of the primary comments we heard over
 4 and over again is the difficulty in trying to develop an
 5 HCP for a program this complex. Given all the actions
 6 and interrelationships, how difficult it would be to try
 7 to put together an HCP.
 8 Another type of comment we got was dealing
 9 with the general timing of the HCP. Why are we starting
 10 now with a HCP, why not wait until phase three when we
 11 have a higher level of detail and able to further address
 12 some of the specific issues.
 13 Along with the complexity issue is the
 14 issue of trying to develop or looking at a no-surprises
 15 policy for a programmatic EIS-EIR. How can you do a
 16 programmatic HCP. This is not something that we have a
 17 lot of other examples of how to do.
 18 Along with the no-surprises issue is the
 19 need to develop some kind of assurances for federal
 20 contractors. At you know, for an HCP it's for nonfederal
 21 entities, and this issue of a no-surprises or some kind
 22 of assurance for federal contractors came up time and
 23 time again and is an issue we have to deal with.
 24 Another issue that was discussed at
 25 several of the scoping meetings and in a lot of the
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1 agenda is important. I'm not trying to discount
 2 anything. My thought of this is that this would be
 3 fairly brief, but perhaps it's not. It's okay.
 4 MR. HILDEBRAND: I agree with Hap. I
 5 think we should postpone it until after lunch.
 6 MR. MADIGAN: The problem is Mr. Spear has
 7 to leave. We'll be hard pressed to get that. Once we
 8 break for lunch, this is a group that takes lunch
 9 seriously it's hard to get everybody exactly back.
 10 MR. DUNNING: Can we have a full
 11 discussion at least and have a much bigger lunch?
 12 MR. MADIGAN: Yes. That we can do.
 13 Sharon.
 14 MS. GROSS: Okay. What I wanted to do was
 15 basically I wanted to go through -- give you a status
 16 update on where we are with the process. And then Mike
 17 wanted to add some comments to that as well.
 18 As you know, at the last meeting we talked
 19 about the scoping period. We did hold five scoping
 20 meetings throughout the state. The scoping period closed
 21 on October 20th, and we actually got a lot of good
 22 comments as we knew we would from a variety of people and
 23 we're utilizing those comments to further developed the
 24 process.
 25 What I'd like to give you is just a
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1 letters is the issue of certainty versus adaptive
 2 management and the apparent conflict there in providing
 3 some kind of certainty but at the same time allowing
 4 enough flexibility so that an adaptive management program
 5 can do what it needs to do.
 6 A few of the things that were addressed in
 7 the letters that we need to be able to include in any
 8 kind of a program is a source of long-term funding and an
 9 assurance that there will be a long term monitoring
 10 program.
 11 Another issue that people felt that we
 12 needed to insure there was proper or substantial public
 13 input up front in the process as opposed to after an HCP
 14 had been developed and just put on the street, that we
 15 need to be sure that the public had the opportunity to
 16 comment all along the process.
 17 A general issue with HCPs in general is
 18 that there's no assurance we have recovery. There's a
 19 need to insure recovery of species before we start trying
 20 to take actions that may impact those species.
 21 Another issue that came up at a lot of the
 22 meetings is the shelf life of no-surprises policy.
 23 Obviously it ranges from a very small shelf life to other
 24 people who want a shelf life of a much longer time
 25 period.
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1 Just to give you a very general idea of
2 where we're going with the process, we are taking these
3 major concerns and trying to work through them to put
4 together a strategy that addresses a lot of these
5 concerns and potential answers for questions on how we
6 would go about including them.

7 We hope to have that done. It's kind of a
8 general strategy for ESA compliance. We have to have
9 that completed within the next couple weeks. We will be
10 taking some materials to CalFed at the meetings in
11 November and hopefully will have more details at the
12 December meeting.

13 MR. SPEAR: I wasn't originally listed to
14 talk on this subject. Sharon was going to provide this
15 review. But unlike B2 which I've been thrown into in the
16 last few months and still feel like I'm struggling, I
17 know something about HCPs.

18 Therefore, I wanted to bring to the
19 attention again of BDAC this is a Bay-Delta issue. This
20 is a significant Bay-Delta issue, and BDAC needs to
21 understand it as well as the people in the audience.

22 I'll come back to some of the points up
23 here. And this scoping in my view was excellent. These
24 are exactly the kind of things that needed to come out
25 from the public and don't surprise us. Some of them

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1 the no-surprises, and that is if you do this well enough
2 we will give you no surprises. And in essence if we find
3 out that it didn't work, the federal government will have
4 the responsibility of fixing it. That has added a lot
5 because the idea of providing somebody a permit, but on
6 the other hand if anything changes two years down the
7 roads they got to start all over again, wasn't very
8 satisfying and wasn't getting us very far in working with
9 the public. So we have been doing that the last couple
10 years.

11 But where this comes to this project is
12 that as I first was getting involved in Bay-Delta it
13 became very clear to me after some discussions with the
14 water users in particular that getting an incidental take
15 permit, getting assurances on endangered species matters
16 was a key part, if not a fundamental part, of assurances.
17 In other words, they didn't want to pony
18 up billions of dollars for a certain set of activities if
19 they weren't sure that they could deal with the
20 endangered species problems that they were going to run
21 into in this state on down the road.

22 I said the only way we can provide those
23 assurances is through a habitat conservation plan and the
24 resultant incidental take permit. There is no other way.
25 So if there are going to be endangered species

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1 present considerable challenges, but let me get back to
2 that.

3 I want to start from the basics. We do an
4 HCP for one purpose, and that is to be able to pass the
5 test under section ten of the Endangered Species Act so
6 we can provide an incidental take permit, which
7 prescribes how much take is authorized in the conduct of
8 a set of activities.

9 This would be the biggest HCP ever done.
10 We did. So this will be huge. But we've done some
11 pretty big ones already. This is JUST the next
12 generation. It had some complications. But the
13 fundamental purpose is to describe to what extent does
14 the project proposed and the activities that come under
15 that project in the geographic area covered and the set
16 of species that are identified, to what extent does it
17 meet the standard of the Endangered Species Act so that
18 we can provide an incidental take permit of specified
19 amounts.

20 When we provide that incidental take
21 permit, people get assurances. They know they can do
22 that without worrying about endangered species matters if
23 they conduct their account activities in accordance which
24 propose to do. Those are the assurances.

25 Secretary Babbitt has added the element of
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1 assurances, then their needs to be an HCP. That hasn't
2 sunk in with everybody yet. We're still here. Okay?
3 It's the only way we can provide it under the law.

4 So exactly what's provided, the terms of
5 the permit, the terms of the assurances, and what is
6 required to achieve that permit is all up for discussion.
7 It's all in the design of the plan and is what gets
8 negotiated.

9 There's a lot of negotiation with science
10 as the underbidding. But you have to meet certain
11 standards. Some of the discussions up here about
12 trade-offs on the boards. Under the Endangered Species
13 Act trade-offs only go so far. If you don't cross a
14 threshold of meeting a standard then you don't trade-off
15 and get assurances.

16 But many of the actions up there are
17 things that we've dealt with before. There's a couple
18 new ones. Programmatic no-surprises, assurances for
19 federal contractors are things we have to deal with and
20 work out some new mechanisms, some new arrangements.

21 All the rest of those things are things
22 we've dealt with before. Not new issues, a bigger more
23 complex project, but not new.

24 The other one that's very key in there is
25 public input. There's no doubt that this is not an HCP

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1 that is done with a timber company, a private landowner,
2 where it's largely in negotiation between the Fish and
3 Wildlife Service and the private landowner. When you
4 arrive at something, you produce -- you provide it to the
5 public in a draft EIS and then a final.

6 The environmental community has criticized
7 that process because they don't get to get into it, you
8 know, until it's well on down the road. That's because
9 you're dealing with a private entity, one landowner.

10 That's not what we're dealing with here.
11 The opportunity for public input in Bay-Delta are
12 astounding, right, Lester?

13 MR. SNOW: Probably are now.

14 MR. SPEAR: I don't think there's any
15 doubt about the opportunities. What is missing here is
16 the understanding I think that the if there's going to be
17 ESA assurances there must be an HCP. And that an HCP --
18 that assurances go both ways. This is a key point I want
19 to make.

20 If water users are the ones who want the
21 assurances, then it's -- you know the environmental
22 community, everybody else who gets to look in and say
23 what is it that needs to be done, what are the standards
24 by which you can get those assurances.

25 If everybody doesn't play in this, don't

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1 This is extremely complex, we're running
2 out of time, and I encourage everybody to understand the
3 significance of the HCP and to help move this process
4 forward.

5 MR. MADIGAN: Thank you. Ann and then
6 Hap.

7 MS. NOTTOFF: I appreciate what you said
8 and I think that in that spirit that I think one of my
9 concerns that -- that I didn't hear an answer for is the
10 timing issue. It is extremely complex and everybody
11 needs to get involved and that's why I think it's so
12 important it be done as part of the CalFed process and
13 not be a parallel planning process. That it -- somehow
14 we deal with the HCP as part of the ERPP. That we come
15 up -- you know, it's the implementation of the ERPP or
16 it's -- rather than just piling another extremely complex
17 multi-stakeholder process on top of this already
18 extremely complex multi-stakeholder process. We need to
19 bring it into the process as an implementation tool.

20 I guess that is one of the conceptual
21 problems I have as I see it at an implementation tool and
22 we're still at the planning phase here in CalFed.

23 MR. SPEAR: The dilemma there is that we
24 have this chicken and egg problem, and that is I think
25 people don't want to get to the end of the thing and say

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1 come in and get involved and provide their public input.
2 Fish and Wildlife Service is required to deal with the
3 entity that wants the assurances. Bay-Delta, the water
4 users come to us and in essence with a proposal and say
5 here's how we propose to do it. We want the following
6 assurance.

7 If we determine it meets the standards, we
8 will provide -- we will move forward on a permit. It's
9 not a matter of us having a choice of sitting back and
10 saying unless everybody plays we can't move forward. We
11 are required to deal with the proposal put in front of
12 us.

13 So my comment is that I'm anxious and for
14 everybody to get involved with the public input that is
15 provided through the CalFed process to understand that an
16 HCP is the only way you can get ESA assurances and that
17 assurances go both ways.

18 You don't get assurances unless you meet
19 standards. There are lots of different ways of defining
20 what those standards are. If the environmental community
21 feels that it doesn't like the way the standards are
22 described some place, they should come forward and say
23 well we'd be happier if the standard was described and a
24 performance measure was described this way, then we'd
25 understand and be more supportive of assurances.

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1 well I agree to the decision here on Bay-Delta and now
2 we'll go design the assurances. I think it is a package.
3 Everything has to move forward together in the process.

4 I'm not disagreeing with you that it
5 should be part of the Bay-Delta process. I think there
6 needs to be some special effort from all of the
7 stakeholder groups working together on this because we
8 are running out of time and it needs to be an intensive
9 effort.

10 It doesn't have to be apart from, but I
11 think it can't be something where people come to meet
12 every two or three weeks and discuss this. If we're
13 going to keep with the time schedules, there's got to be
14 a lot more work put on this.

15 MR. MADIGAN: Hap.

16 MR. DUNNING: Sharon mentioned a number of
17 important issues that are up there on the screens. I
18 think there are two others that need to be considered.
19 One is an issue about how CalFed and BDAC does its work.

20 Long ago it was decided at BDAC that we
21 couldn't do everything just in these general meetings
22 every couple of months, so we set up work groups with
23 specialized assignments. And since August '96 we've had
24 a work group on assurances.

25 Now Mike explained that the real impetus

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1 with regard to the HCP is to be able to get the
2 incidental take permit, and the incidental take permit is
3 an assurance mechanism. I think people in BDAC should
4 realize this didn't come as a suggestion from the
5 assurances work group. The assurances work group has
6 been doing a case study and looking at a lot of different
7 assurance possibilities but never came and said to CalFed
8 we better get started on an incidental take permit.

9 There was some other process apparently
10 initiated by one or more of the CalFed agencies and
11 assurances work group just kind of found out about it as
12 it happened. So it raises the question what are we
13 really doing with these work groups if we're going to be
14 bypassing a work group on a major point like this.

15 It sometimes, to put it in the worst
16 light, it seems like it's kind of an exercise in
17 futility to be doing these work group processes if CalFed
18 is just going to go charging off and do something such as
19 this on its own.

20 The second thing is the scope of the
21 incidental take permit. I have the sense that this all
22 got started I guess within U.S. Fish and Wildlife Service
23 on the idea, and, Mike, please correct me if I'm wrong,
24 but on the idea that while there are going to be these
25 restoration actions taken as part of the ERPP and some of

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1 to want.

2 It's going to be frustrating for all of us
3 if we get to the end of the decision making process for
4 people who stand up and said, no, that's not the
5 assurances I wanted, I wanted more.

6 We got to get people to say what is it you
7 think you need to make the commitments to move forward on
8 this. And scoping has helped us produce that. But that
9 is -- you're right, those questions are not answered and
10 we have to work that out.

11 MR. DUNNING: If I can follow-up. As part
12 of a programmatic incidental take permit, would you cover
13 facilities?

14 MR. SPEAR: Let me just give you a --
15 throw out an example. A hypothetical. What if you had
16 three storage reservoir possibilities up in the
17 Sacramento valley. Somebody said I want to have some
18 sort of assurances. So we look at those.

19 After you've screened out all the others
20 there's three left. And Fish and Wildlife Service, State
21 Fish and Game, NIMPS (phonetic) from the point of view of
22 anonomous fish looks at those and says under the follow
23 set of circumstances if you mitigated this and did this,
24 we know these plants are there, these animals are there
25 et cetera, this is going to be the nature of what will

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1 them may involve take and if you're going to have take
2 you have an have an incidental take permit so you better
3 have the HCP ready and we don't want to sit around for a
4 few years waiting for that to happen.

5 That is very understandable, but the
6 scoping notice talks about an HCP and consequently an
7 incidental take permit for the entire Bay-Delta program
8 not just ERPP. Which puts it in a whole different light
9 and raises the question why are we doing very specific
10 kinds of incidental take permits this early in the
11 process with regard to the nonERPP parts of the Bay-Delta
12 program.

13 MR. SPEAR: A quick answer to that is that
14 on the latter point I agree. We put out the whole
15 ERPP -- I mean the whole Bay-Delta program as the
16 possible scope of the incidental take permit, but I think
17 identify also that this may be segmented with certain
18 aspects getting certain types of permits other aspects
19 getting programmatic nature where you don't get the
20 details and you're going to have to come back through
21 environmental processes. That's when you get the final
22 permit.

23 That's what's scoping has produced. From
24 the people who want the -- what's been important and just
25 as difficult to get is a sense of what are people going

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1 have to be done. And if do you those things, anyone of
2 those reservoirs can be built. You wouldn't be giving a
3 take permit, but you'd be programmaticly saying these
4 are not infeasible from a ESA point of view.

5 Now have we ever done that before? No.
6 But we can see that conceptually we can go forward. Then
7 at that point the water users are saying I have an
8 understanding at this point of what the implications are
9 if we put a reservoir there from an ESA point of view.

10 We would call that a programmatic type of
11 assurance. I don't know if that's enough for a water
12 user point of view. But it seems to me good information
13 for people to have to know they can step forward and
14 there's not some brick wall they are going to run into
15 from an ESA perspective.

16 MR. DUNNING: I think the objection is
17 largely dealt with if you're saying at the programmatic
18 level you're not actually going to issue the incidental
19 take permit. If you're simply going to sketch out what
20 some of the problems are like that will be down the road,
21 that's one thing.

22 MR. SPEAR: I think we're calling these
23 programmatic assurances.

24 MR. DUNNING: Will there be a programmatic
25 take permit?

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1 MR. SPEAR: We don't know yet.
2 MR. DUNNING: That's the part that
3 troubles me.
4 MR. SPEAR: I've asked the question many
5 times of water users and our staff and others. I'm not
6 sure what a programmatic take permit looks like.
7 MR. MADIGAN: Byron and then Alex.
8 MR. BUCK: Mike, I appreciate your
9 comments. I agree it's an absolutely critical tool for
10 us to move forward in this program. HCPs are really the
11 only tool that will allow us to get ahead of the listing
12 cycle to plan for species in advance and prevent them
13 from hitting the endangered species list.
14 In broad terms from water users, what we
15 need in assurances is just to make sure we're going to
16 receive the benefits that we will be paying for as
17 beneficiaries in this program.
18 I agree assurances are going to go both
19 ways. We'll need to be able to assure in order to get
20 those benefits that we're going to have the species
21 recovery and survival that you're going to need to issue
22 the take permit.
23 It's going to take a lot of hard work and
24 especially at a programmatic level to make sure this
25 happens, but fundamentally for staff such as myself and
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1 that or what the nature of the lands would be or the
2 purpose of the acquisition.
3 So I feel that the HCP as is presented is
4 a black box. We don't know what's in it, we don't how it
5 conforms to solution principles. We don't know how it
6 affects flood control, we don't how it interrelates with
7 the operations of the reclamation districts, et cetera.
8 I just don't see how we can have an opinion this HCP is
9 good or bad.
10 MR. SNOW: Alex, that material that you're
11 looking at may have ended up behind the HCP tab.
12 However, that information pertains to the restoration
13 coordination and the potential distribution of the
14 category three monies. So that's related to the projects
15 that were submitted to the RFP process.
16 And in each case, each project must have
17 complied with or is on a process to comply with NEPA and
18 CEQA. So the environmental reviews must be done on that.
19 There was a provision in the RFP that an applicant was to
20 show an effort having worked with surrounding landowners
21 or having worked with affected parties on their projects.
22 That was reviewed as part of the process. But as Kate
23 probably indicated yesterday because of using state
24 contracting law, we cannot distribute the details of each
25 of those applications until we have finished the process.
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1 staff of member agencies to go to their boards and say
2 yes we'll invest our share of billions of dollars in this
3 system, they are going to need to be able say and yes we
4 are reasonably assured we're going to receive those
5 benefits of that bargaining.
6 MR. HILDEBRAND: My comment's a little
7 less lofty I guess here. If you look at the section in
8 the book here on HCP, there's about twenty million
9 dollars set up for channel forum changes and about an
10 equal amount set up for flood plain changes.
11 And it's hard for me to believe that you
12 can spend that much money without affecting the flood
13 carrying capacity of the system as well as the habitat of
14 the system, and we have nothing to tell us that there's
15 been an examination of that or what the conclusions were
16 if there was such an examination.
17 Furthermore, particularly on the flood
18 plain part, I assume that that will necessarily get
19 involved with a whole lot of reclamation district lands,
20 and we've heard nothing about any discussion and
21 interinterchange with the districts, reclamation
22 districts, that would be affected by this twenty million
23 dollars of effort.
24 I gather part of it may be land
25 acquisition, but it doesn't tell us specifically about
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1 MR. HILDEBRAND: Will these CEQA
2 compliances be on a programmatic or site specific basis?
3 MR. SNOW: Those will actually be on a
4 site specific basis.
5 MR. HILDEBRAND: We will get to find out
6 about them before our money is spent, right?
7 MR. SNOW: In some cases part of the money
8 will go to finishing that type of planning and
9 implementation activity.
10 MR. HILDEBRAND: Before they build
11 anything or acquire lands we'll be able to know what's
12 proposed?
13 MR. SNOW: Yes.
14 MR. HALL: It's a clever ruse to confuse
15 BDAC members.
16 MR. MADIGAN: I have four speaker slips.
17 First Gary Bocker from the Bay Institute. (speaker bury
18 MR. BOCKER: Thanks Mike Gary Bocker from
19 the Bay Institute. I think with the addition of some of
20 the issues that Hap just raised that Sharon's done a good
21 job and CalFed staff has done a good job of identifying
22 and in discussions with various stakeholders trying to
23 address the specific concerns raised about HCPs.
24 HCP have a lot of baggage and we can have
25 lots of discussions about some of the specific details in
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1 which HCPs should be improved or are or not the right
2 vehicle. I think that that's a discussion we all intend
3 to have.

4 I want to draw attention maybe to or focus
5 on two overwhelming underlying issues here that need to
6 be dealt with that have been touched on in the
7 conversation that you all have been having.

8 The first is the association of HCPs in
9 recent times with no surprises. That's the core issue
10 here. In dealing with no surprises, we can argue about
11 whether no surprises is a good thing were it's
12 appropriate.

13 I think though the intent of no surprises
14 is -- it's really being taken out of context here being
15 applied the a system of such complexity, so many moving
16 parts, uncertainties about a lot of, what affects the
17 systems, a long time line, where we really have to
18 question whether in fact any assurance package HCP or
19 otherwise will relies on the no-surprises approach is
20 workable.

21 I think a lot of what many of the
22 stakeholders with whom environmental communities have
23 been having discussions certainly as well as some of the
24 discussions in the assurances work group I think have
25 focused more on an alternate related approach which is

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1 programmatic level.

2 It's a blueprint for how we're going to do
3 restoration, it's a blueprint for how we're going to deal
4 with water management, water supply reliability issues,
5 it's a blueprint for how we're going to deal with water
6 quality, it's a blueprint for how we're going to deal
7 with assurances, it's a blueprint -- it should be a
8 blueprint for how we deal with permitting.

9 However, the programmatic EIS, EIR is not
10 a water supply project, it's not a restoration project,
11 it's not a water quality project, it's not a facility,
12 and it's not a permit. So if the intention -- a lot of
13 the impression that many of us have is that the point of
14 the HCP is to result in an incidental take permit, we
15 just don't understand how that would work.

16 Now teasing out from the dialogue Mike and
17 Hap were having, Mike, what I was hearing was that in
18 some senses it's quite possible that really what you're
19 doing is offering that blueprint, the framework under
20 which permits will be issued and incidental take would be
21 addressed rather than authorizing take at the
22 programmatic level.

23 I mean again those are two very different
24 paths and I think we need to clarify fairly early down
25 the road which path we're going down. So those I think

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1 sort of a shock absorber approach.

2 And that is if we have a well designed
3 solution that has flexibility in it, if we have a well
4 designed solution that has institutional changes that can
5 deal with uncertainty, if we have a well designed
6 solution that has adequate funding to deal with major
7 potholes in the road, the chance that the CalFed
8 long-term solutions going to get derailed is minimized.

9 But there just is too much uncertainty to
10 say that we know that we're going to supply all the
11 resources and make all the changes to get to a
12 no-surprises level for a system this complex and where so
13 many different resources are at stake.

14 That's just a basic philosophical problem
15 that we're going to have to wrestle with before we go
16 down the road. And the concern we have about HCPs is if
17 they are associated with no surprises, and that seems to
18 be the format, that's very problematic, at least for the
19 for the environmental water caucus.

20 Second issue is to -- I want to draw a
21 little bit on the interchange Mike and Hap were having
22 about where exactly you issue a take permit. Maybe I
23 misunderstand what a programmatic EIS, EIR is all about
24 and CalFed is, but I thought the CalFed long-term
25 solution, the CalFed EIS, EIR is a blueprint on the

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1 are sort of large-scale issues that have to be dealt
2 with. If we deal with those then it becomes much easier
3 to deal with some of the specific issues that are
4 associated either with an HCP or alternative or
5 complimentary assurances mechanisms. Thanks.

6 MR. MADIGAN: Thank you. Sure.

7 MR. SPEAR: Gary, I think that was
8 helpful. Let me go to that latter point. I think this
9 is exactly what scoping has produced. You know, what are
10 a little bit of definition of the anxiety level and the
11 concerns of the environmental community. I think this
12 has got to be an interactive process.

13 The Fish and Wildlife Service has not said
14 from the beginning that we know exactly what we're going
15 to be able to produce in terms of a permit. Obviously
16 the more information we have, the more details up front,
17 the more specific the permit.

18 The other side of the question is the
19 water users need to be learning from this process a
20 little bit about more what is it they can expect. My
21 biggest fear, as the person sort of in -- the agency sort
22 of in the middle of this, is that we will continue this
23 lack of coming together about what people expect from
24 both sides or what can be provided until the very end and
25 we're not able to do it.

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1 I would very much like to see the
2 engagement of the stakeholders, environmental, the water
3 users, and see if we can't come to agreement on the
4 nature of the permits assurances provided so that
5 everybody says we can do that and we can live with that.
6 That's enough assurances, we understand what we're
7 getting. And the environmentalists say that's an
8 appropriate level of assurances at the stage and they
9 will be filled out later as we go through the specifics.
10 That's the dialogue that needs to take
11 lays. And that will help design the documents. But -- I
12 mean, things are moving. I'm worried that people will
13 not engage in that discussion because I think it's very
14 possible there's a meeting of the minds out there but
15 people have these perceptions of what this thing is.
16 Perhaps because, and maybe we create that perception by
17 simply saying we're going to do an HCP. This will not be
18 the typical HCP, we know that. But we've got to get
19 everybody understanding what the outcome will be and then
20 try to produce an outcome that is acceptable to all.
21 Thank you.

22 MR. MADIGAN: John Mills from the Regional
23 Council of Rural Counties. I'm sorry, Steve.
24 MR. HALL: Mike, I appreciate that comment
25 as well as the comments of Gary because I think Gary has

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1 understand that our people are going to have to be
2 directly engaged in these discussions.
3 MR. HALL: Right.
4 MR. SPEAR: How it's sanctioned or what
5 mechanism -- I think we're open. But we've got to get
6 going quickly. Quite frankly, you know, there's only so
7 many people around and we're doing B2 now. We need to
8 get some of the pieces behind us so we can move on to the
9 next.
10 MR. MADIGAN: Roberta.
11 MS. BORGONOVO: Please don't set up
12 another work group. Please don't set up another separate
13 process. It is coming to the assurances work group it's
14 coming to ERPP. There's a question how it gets dealt
15 with between those two groups. But every time you set up
16 another group you just stretch us all the way out and
17 it's very clear that the reason U.S. Fish and Wildlife
18 set forth this process was to include it in the CalFed
19 process.
20 I mean, we're expressing our concerns.
21 They've been expressed very well today. And that is the
22 timing, all of these issues that are there. But setting
23 up another process, let's at least try to see how we can
24 work it out.
25 MR. MADIGAN: Thank you, Mr. Mills.

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1 pointed out two very central issues in developing this
2 extremely complicated HCP.
3 I very much agree with you that we need to
4 get the stakeholders engaged and the sooner the better.
5 I'm not sure -- I don't have anything against BDAC work
6 groups. I'm not sure this should be a BDAC work group.
7 In fact, I think because of the central
8 role that Fish and Wildlife plays, I don't want to put
9 you on the spot, but you may want to consider convening
10 something of your own. Obviously coordinated with
11 CalFed, and even part of CalFed and using stakeholders
12 that are engaged in CalFed because they are the people
13 who are going to be I think most helpful.
14 But the questions Gary raised today, the
15 issues that you've raised in your remarks I think we need
16 to get to very quickly if we're going to produce a
17 product in the way of an HCP approach that CalFed can use
18 in a timely fashion.
19 So I think I'm speaking on behalf of the
20 water user community when I say that we're ready to go.
21 MR. SPEAR: Lester and I talked about this
22 yesterday -- it seems like it's not on sometimes but --
23 there it goes -- and I'm committed to working with Lester
24 so that what we do, whatever we do is consistent and
25 within the overall CalFed approach. But I also I think

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1 MR. MILLS: I won't give my speech about
2 the schedule then. I want to reiterate I'm representing
3 the Regional Council of Rural Counties which is now up to
4 twenty-seven northern California counties, all tributary
5 with the exception of two to the delta.
6 We have some additional major concerns
7 that didn't get on the big blue board. One I think would
8 be characterized as the scope of the HCP. Understand we
9 have a problem area and we have a solution area. It's
10 not clear in the reading of the notice on the HCP what
11 the scope of the solution area and the scope of the HCP
12 are. And that's an assurance issue because if it then
13 ties back to the no-surprises part of this package. And
14 we're not here to at this point either wildly and
15 enthusiastically support or oppose HCP, just to say they
16 have some potential but it's how they are crafted.
17 Also, I think the language up there that
18 says assurances for federal contractors from our
19 perspective is a little narrow. Federal contractors are
20 a specific type of people discussed in the CalFed
21 program, but we also have something called federal
22 permittees and federal license holders which are also when
23 we talk about reoperating existing dams and existing
24 facilities, that's who those folks are. And if there's
25 going to be a no -- a no-surprises and protection clause

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1 for contractors and we're going to bring those folks into
2 the tent. I think it's incumbent on us to also bring in
3 those folks who have permits from other federal agencies
4 who are also CalFed agencies and from the Federal Energy
5 Regulatory Commission. I'd like to see that addressed by
6 Mr. Spear and his group who are working on this.

7 The adaptive management side of this is
8 also of concern because adaptive management, and I sat
9 through the scientific panel review and I thought that
10 was excellent, but adaptive management is based on a
11 flexible management technique that it's premised entirely
12 on being able to modify both the scope and tools that you
13 apply to fix things.

14 And because of that, that flexibility,
15 there is a fear on both sides that, one, you're not going
16 to do everything you need to do to fix the environment,
17 you won't have the flexibility to get there and the other
18 one is that you'll have so much flexibility that this
19 thing will never come to closure.

20 And that assurance issue I think was
21 raised and Hap touched on it very well doing a lot of
22 work on the assurance work group, this is hot button in
23 terms of Gary's portrayal and others, and I think we need
24 to work through that.

25 And I also am not proposing any new task
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1 and be a benefit to that agriculture, and it would take
2 some thirteen sections of land retirement that would
3 bring back into operation the plumbing of the San Luis
4 drain and some thirty-three thousand six hundred eighty
5 acres of San Luis drain plumbing that could be back into
6 effect.

7 Presently these waters and all the
8 indications I have are entered into our aquifer, and
9 this is our -- supposed to be quality water for human
10 consumption but it isn't because of the infrastructure.

11 These waters aren't health hazardous but
12 they are -- cause damage to the -- to our infrastructure.
13 The waters that are presently coming out of the Pinocci
14 (phonetic) Hills cause damages to wildlife. Like in
15 Kesterson. They stored it above the ground.

16 Why not use the underground plumbing to
17 store these waters. We could tap, with ag-related
18 industry, we could tap into this underground plumbing.
19 There's some thirty miles of it to lay in forty-two
20 thousand acres west of Mendota.

21 This would help ag-related industry; it
22 would help with social economics which is bad in our
23 area. It would help with additional waters with land
24 retirement and I think it out to be applicable to go to
25 agriculture. It should stay in the district.

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1 force or work group or suicide squad for HCPs, but I
2 would like to see that addressed as an assurance issue.
3 And it does tie back again to scope and to the nature of
4 characterization of federal contractors. I think we want
5 to be inclusive there and not exclusive. Thank you.

6 MR. MADIGAN: Thank you. I have three
7 more speaker slips. Ed Petry, followed by Marta Miller,
8 followed by Dennis Fox. Mr. Petry, you're up.

9 MR. PETRY: Thank you Mr. Madigan and
10 members of the counsel. I appreciate the opportunity to
11 speak as a member of the public, and I appreciate what
12 the Bureau of Reclamation has in its mind and the
13 thoughts and considerations they've given. And
14 especially my area of concern.

15 Presently we have problems there that are
16 related to water quality, we have problems with flood
17 waters, we have problems with water allocations, we have
18 problems with overdrafting of water.

19 I think that can be addressed with the
20 land purchases for environmental purposes and land
21 purchases that would include an ag-related industry that
22 would use the San Luis drain waters rather than put them
23 in the San Luis drain canal into the Sacramento delta or
24 the San Joaquin River. Because the way that we can use
25 an ag-related industry that would process these waters

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1 The thought of when it didn't work we
2 would put these waters into Kesterson. I don't think
3 it's going to work to put it in the San Joaquin River
4 waters that has high quality waters coming through it
5 when the flow flows during the winter months.

6 During the winter months they are not
7 irrigating so the San Luis drain wouldn't be of much use
8 then, but there's a way we could enter these waters into
9 the San Luis drain plumbing which is in the flood path of
10 the Pinocci Creek Silver Creek flooding.

11 I'm talking about seven thousand seven
12 hundred acre foot of water on an annual basis that passes
13 through the San Luis drain when it was operating. That's
14 equivalent to twenty-one acre foot per day that they
15 would have to use with agriculture ag-related industry.

16 And if we talk about willing sellers, I
17 think them willing -- those sellers are going to have to
18 be willing in the near future with the applied water that
19 exists, and it would be going on of the applied water
20 that's going on west of Mendota at this present time.

21 We need to retire some twelve sections of
22 land so we can intercept the flood waters, retire some of
23 those lands for wildlife, kit foxes, kangaroo rats, an
24 pheasants can all survive on hardly any water. During
25 the flood years we could intercept those waters, put them

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1 in the San Luis drain canal and then use those also.
 2 I want to thank you for your time. And I
 3 appreciate the Bureau of Reclamation. And I too had a
 4 talk with Jim Carsey yesterday and we had a few moments
 5 in Fresno, and the man really gets around. He's highly
 6 knowledgeable with flood issues and water issues. The
 7 man is highly knowledgeable, and that's what keeps him in
 8 office. And SB 312 is much appreciated, too. Thank you.

9 MR. MADIGAN: Thank you, Mr. Petry. Mrs.
 10 Miller.

11 MS. MILLER: I'm Marta Miller and I'm from
 12 West Sacramento. Basically on some of the major
 13 concerns, I know when Westlands talked and a few other
 14 people talked about their statistics being wrong, Yolo
 15 County has a problem because there's twenty letters in
 16 there that say a lot of the statistics and information is
 17 incorrect. Even on the endangered species list they have
 18 things that are sports fisherman oriented as opposed to
 19 endangered species. And if this is a public session that
 20 keeps going on, I find it hard to believe that you'd
 21 leave Yolo out and we can't get information over there.
 22 and I know there's going to be a meeting next week. But
 23 the point is we haven't even had time to look over this
 24 thoroughly.

25 And if there is public information about
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1 What is the cost per acre foot of this
 2 water retired? And how much of this land that's going to
 3 be retired came from the FSA and at what cost per acre
 4 did they charge you? What are the ongoing costs of in
 5 lieu fees to the county for taxes? And if these in lieu
 6 fees are not paid, what will be the cost to the state of
 7 the farmland converted to urban to replace these lands,
 8 and what would be the costs of the increased amount of
 9 waters that ag moves over to the west side.

10 The next one is what are the ongoing costs
 11 of the land restoration? If there is going to be no
 12 restoration costs or not restoration, are you going to
 13 use natural succession, quote, unquote, on these lands
 14 that are not exactly natural.

15 What will be the cost to the state and to
 16 the agriculture community of these lands being converted
 17 to a weed reservoir? And if this land is to be reverted
 18 as an alternative to your -- or to alter it, your program
 19 that you can return it to pastoral use and sold to a
 20 covenant. I was wondering what the going price of
 21 pastoral lands and could you perhaps make up a percent.
 22 get a cost recovery out of that.

23 And that's in your program. And if you're
 24 just going to want to compare it to another project, I
 25 notice that Trinity Reservoir is down -- always down

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1 this process, polluting for dollars using a permitting
 2 process rather than taking care of it with pretreatment
 3 to me is missing the step of what this is supposed to be
 4 about. It's supposed to be about cleaning up the delta,
 5 not allowing a substantive abuser to take care of its own
 6 substance and allowing those that have owned their water
 7 to do with it what they want.

8 If you have local control, we'd like to be
 9 part of the local process and be notified, and I'd like
 10 you to slow down the process and give yourself time to
 11 clean up a lot of the statistics and the documents that
 12 you've given us and that we haven't had time to address.

13 MR. MADIGAN: Thank you, Ms. Miller. Mr.
 14 Fox.

15 MR. FOX: Yes. I'm Dennis Fox and I have
 16 a couple questions for Mr. Spear. Admittedly somewhat --
 17 I don't know the answer but they are also somewhat loaded
 18 in that, to be very honest, I was looking for kind of a
 19 cost benefit analysis on these questions on land
 20 retirement and perhaps compare it to maybe an alteration
 21 of the current program or compare it to other programs.

22 One, how much water has been retired
 23 through land retirement? Not the land. I hope this
 24 program does not become self-perpetuating and get a life
 25 of it's own.

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1 because they built a dam with no spillway or flood
 2 capacity so they have to keep it down. If there was --
 3 that was to be spillway converted, perhaps the acre
 4 footage you would get from a full pool compared to what
 5 you were gaining from land retirement. Things like that.
 6 I believe you can answer that in just about three words.

7 MR. SPEAR: I remember getting blue books
 8 when I was in college and final exams and the questions
 9 were usually simpler than the ones you just asked. And
 10 I'm -- forgive me but I couldn't remember all the
 11 questions you asked and -- but I'll try to -- the first
 12 one I'll simply say in our land retirement paper and
 13 suggested as one of the toolbox measures, it's our view
 14 that there's not going to be a large amount of water
 15 gained by that. But the other side of the picture is
 16 there will be a land retirement component, that's part of
 17 CVPIA and it will be focused to a great extent on
 18 drainage issues.

19 As far as your other questions, we have
 20 those recorded, and we'll find an appropriate way
 21 whatever you suggest of getting back to you with answers.

22 MR. MADIGAN: Thank you. Seeing no
 23 further evidence of life on the BDAC, we'll all take a
 24 break for lunch and be back shortly after 2:15.

25 (Luncheon recess.)

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1 MR. MADIGAN: You're on.
 2 MR. BUCK: Okay, great. Ag, urban
 3 discussions continue over the last two months. We've
 4 been looking at a lot of technical data on the three
 5 different options within CalFed and variations on those
 6 themes, trying to understand the benefits of storage and
 7 conveyance.
 8 We're quite a ways off from any kind of
 9 consensus on what people might be willing to support. We
 10 are looking really at actually a wider range of
 11 alternatives. Particularly with respect to the
 12 conveyance we're looking at smaller conveyance options
 13 than is on CalFed's table, that is, less than 5,000 cubic
 14 feet per second to see if we can get the water quality
 15 benefits we're looking for in something of that size as
 16 well. As well as looking at the through-delta
 17 alternatives and the benefits they provided.
 18 We've got a work group active on the
 19 assurances issue. In particular the habitat conservation
 20 plan. Try to engage on that and make the promise of that
 21 come true hopefully.
 22 We had presentation at the last meeting on
 23 water use efficiency and I gave an overview what the
 24 urbans are doing with the environmental water caucus on
 25 conservation and recycling.

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1 So bottom line is this group's trying to
 2 work through the technical details to understand what is
 3 in the CalFed package or what could be in, understand
 4 what they could be for in support and so they can bring
 5 it back to their policy boards and make intelligent
 6 recommendations to them as to what they want to see in
 7 CalFed support and CalFed what they are going to be
 8 willing to pay for it.
 9 MR. MADIGAN: Make sense. Questions
 10 anyone? Alex.
 11 MR. HILDEBRAND: Byron, have the results
 12 of these deliberations been communicated to the CalFed
 13 staff at anytime lately?
 14 MR. BUCK: There's a lot of interaction at
 15 the work group level on what's going on with CalFed
 16 staff. There's also a lot of interaction of the modelers
 17 because we need to understand what CalFed's modelers
 18 assumptions are and vice versa. So there's a lot of
 19 cross-pollination going on at the technical level.
 20 There hasn't been any policy decisions per
 21 se by this group. We're just, like this group, really
 22 receiving information and commenting on it at this point.
 23 MR. HILDEBRAND: But you have made
 24 technical analyses. Have those been presented to the
 25 staff?

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1 We have an active participation in the
 2 finance work group and that group reported to the ag,
 3 urban policy group at the last meeting. Recognize
 4 there's lot of key issues that are going on there, but
 5 ag, urban's not going to focus on that right now because
 6 we don't feel it's quite right before a preferred
 7 alternative. Once that's out there it's going to be a
 8 lot easier to focus on finance because it will be a lot
 9 easier to focus on benefits and how do we move forward
 10 with that.
 11 There are great concerns though with this
 12 whole notion of what is the baseline for it and is -- are
 13 we talking about mitigation or restoration and we
 14 definitely fall in the -- we're moving forward this is
 15 restoration.
 16 MR. MADIGAN: That kind of sounds like
 17 issue in the number one.
 18 MR. BUCK: Yeah, it really is. We don't
 19 feel this notion that mitigation is what's going on here
 20 is really a productive discussion for moving forward.
 21 Also we're working on what are we going to
 22 do in the interim in the ten years it's going to take to
 23 bring a lot of whatever's in a final CalFed package
 24 online and how do we get better together both in terms of
 25 environmental water and consumptive water needs.

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1 MR. BUCK: Yes, and my understanding those
 2 are to be shared back and forth freely.
 3 MR. HILDEBRAND: I think it would be
 4 helpful if the members of BDAC like myself could also see
 5 what your group is presenting to the CalFed staff.
 6 MR. BUCK: Yeah, and that's fine. There's
 7 no formal process. That doesn't all channel through one
 8 person. So it's more or less a matter of finding out
 9 what you're interested in and I'm sure we can help make
 10 whatever it is available to you. It's a pretty informal
 11 process going on.
 12 MR. HILDEBRAND: Maybe it doesn't fit to
 13 do that. It's just that, as you know, I've felt that we
 14 haven't had as detailed technical analyses from the
 15 CalFed staff as I think BDAC should receive, and if
 16 you've got some technical analyses that are more detailed
 17 I'd like to see them.
 18 MR. BUCK: What we are planning to do,
 19 we've had this, the whole numbers and benefits of
 20 conveyance and storage trickle out over the last couple
 21 meetings and what we're working towards is trying to
 22 compile all that into one document and what does it say,
 23 what does it mean.
 24 Right now essentially what we have is a
 25 series of overheads and graphs and charts. There's no

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1 cohesive piece. Frankly, that's what I've requested, is
2 that we need to pull it all together in one package and
3 have our team say what are really the benefits we see
4 here versus the cost, what are the distinguishing
5 differences between storage north and south of the delta,
6 how big would you want an isolated conveyance if you
7 needed those benefits, and why would it need to be
8 whatever size it would be.

9 That's going to be forthcoming. I think
10 we're targeting to have that sort of thing in December.
11 That would be the one stop shot where you'd see all that
12 technical data summarized and brought before. But it all
13 exists in pieces, and Steve Akawa is the technical team
14 lead and he can certainly be the best point of contact to
15 get what's come out so far.

16 MR. HILDEBRAND: Have you made analysis of
17 this question of the degradation of south of central
18 delta water agency water quality in the event that you
19 have an isolated --

20 MR. BUCK: Clearly that was discussed up
21 at the retreat at North Star. We looked a lot at water
22 quality impacts and it's quite clear that under certain
23 configurations you've got a south of delta impact and in
24 other places impacts at Contra Costa and those need to be
25 dealt with.

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1 MR. HILDEBRAND: You got to go uphill. So
2 how would it be delivered, I would assure the delivery,
3 and how that would help the degradation that would take
4 place in the central delta isn't clear to me.

5 MR. BUCK: We haven't looked at that
6 either. We have in the water quality modeling looked at
7 different kinds of hydrologic scenarios and didn't quite
8 do it in the average format that Rick had. We have a bit
9 more detail on specific conditions. It shows a broader
10 range than what we saw in these averaged numbers.

11 MR. MADIGAN: Okay. Thank you. Bob.

12 MR. RAAB: Byron, is the East Bay MUD
13 proposal to pipeline water from the mouth of the American
14 River here south to an inter-connection with their
15 east-west lines a part of your discussions?

16 MR. BUCK: It's pretty much looked at in
17 the same way it is in the CalFed process. It's just
18 another project out there independent of the process that
19 will need to be dealt with and considered in terms of
20 cumulative impacts. It's not a focus of the group at all
21 any more than it is here in CalFed.

22 MR. RAAB: Well it's something that's
23 behind the curtains right now, but if I'm not mistaken
24 CalFed has a policy of support for a common pool concept.
25 Would that be a fair statement? Mary?

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1 There was a lot -- there was a request for
2 further modeling efforts and to look at past what CalFed
3 is doing but to look at the benefits that I discussed
4 yesterday, you're changing the water quality, going
5 export water quality, do you get a benefit in the
6 drainage water quality. They are going to try to make a
7 shot at that and see what might improve.

8 What I learned at these two meetings is we
9 need to look at what are ways to deliver water quality --
10 higher water quality directly out of some of those
11 conveyance alternatives that might deal with that
12 situation.

13 MR. HILDEBRAND: As you know from my
14 remarks yesterday, I guess was I think there's something
15 the matter with the water quality numbers the group came
16 up with. They just don't deal with the facts. And this
17 was brand new thing he sprung on us today as far as I was
18 concerned of letting -- providing water out of the
19 isolated facility for the south delta. And that sounds
20 good but it's not very easy to do. And it would take a
21 lot of thought on how to do that and then there would of
22 course be the assurance problem. How do we know they are
23 really going to let it out. It's not just a matter of
24 opening a valve, you got to pump it out.

25 MR. BUCK: Right.

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1 MS. SELKIRK: Are you asking me?

2 MR. RAAB: I'm throwing it out there and
3 nobody's answering.

4 MS. SELKIRK: I don't know if I can fairly
5 answer that. I think -- I don't know if that's an
6 explicit planning assumption that CalFed -- it's
7 certainly an issue that's been debated here.

8 There's probably some range of definition
9 what people mean by the common pool. I wish Lester was
10 here to respond is to that. Do you want to hazard it?

11 MR. DANIELS: Not specifically. The
12 common pool concept has been articulated over the years
13 in terms of the issue. But we are -- we do have as a
14 matter of policy nondegradation of south delta and
15 central delta water supplies. That's the no redirected
16 principle.

17 We think you can accomplish that in a
18 couple different ways. We've not advocated, and in fact
19 are having difficulty standing away from full isolation
20 when we analyze the benefits of full isolation.

21 Lester seems pretty adamant that we need
22 to find alternatives to full isolation, which would
23 continue to support the common pool concept to some
24 degree. I don't know exactly how much. But Alex's
25 concerns relative to south delta water quality are

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1 paramount among the issues we're trying to resolve.
 2 I don't know if that's terribly
 3 responsive, but what most people that talk about the
 4 common pool mean is they want to maintain a public
 5 interest, a broad-based public interest in the water
 6 quality of the delta, a broad-based public interest in
 7 the maintenance of the levees in the delta, and
 8 broad-based public interest in delta outflow. And I'm
 9 mostly certain that that is a paramount issue in terms of
 10 our evaluations of these alternatives.

11 MR. MADIGAN: Alex.

12 MR. HILDEBRAND: One more question.
 13 Byron, has your group been studying the common program as
 14 well as the alternatives?

15 MR. BUCK: Good point. Thanks Alex. Yes,
 16 we have. Actually we've spent a lot of time on the ERPP
 17 and working on that and have some concerns, a lot of
 18 which were articulated by others, kind of a basic
 19 structural concerns of the program and we're going to be
 20 submitting comments on that.

21 We are working collectively on the water
 22 quality common program as well. The water use
 23 efficiency, one we're more or less aware of, there isn't
 24 a full joint effort on that. Kuwa's (phonetic) really
 25 been working on the urban side, and individual ag

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1 to the questions of taking ag lands and ag water but the
 2 question of whether the visions that there are in this
 3 common program are realistic in terms of availability of
 4 water to accomplish them.

5 MR. BUCK: It's a good question. We've
 6 certainly recognize the way CalFed's approaching it is to
 7 try to get those ERPP flows out of storage and transfers.
 8 And there is a large concern that there is so much
 9 competition for what appears to be a fairly limited
 10 transfers market and concern that whether those are
 11 really going to be there in amounts sufficient to achieve
 12 the program. And what that balance is going to be
 13 between transfers and how much you would have to create
 14 by new offstream storages is an open question, and
 15 whether there's a public willingness to create those kind
 16 of flows with those structures is another issue.

17 MR. HILDEBRAND: I notice you refer only
 18 to offstream storage. Are you not looking at onstream
 19 storage?

20 MR. BUCK: We have looked at -- I
 21 understand CalFed has as well -- increases in the
 22 existing onstream storage reservoirs, particularly Shasta
 23 and San Joaquin. While they provide some pretty
 24 interesting benefits and especially on the environmental
 25 side when you consider it will manage those flows all the

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1 interests have been working on the agricultural issues.
 2 There hasn't been a real joint work effort along those
 3 lines. Similarly, we're following what's going on with
 4 the levee program, but it's not one we're fully engaged
 5 on or spending a lot of technical staff time on. We did
 6 have a presentation at the last meeting looking at the
 7 vulnerability issues and what CalFed is planning in terms
 8 of levee rehabilitation.

9 MR. HILDEBRAND: Are you making the
 10 reality check on the common program that I've been opting
 11 on and haven't been getting any answers to?

12 MR. BUCK: In the sense that we want to
 13 make sure it's doable and it's going to meet the
 14 objectives. Yeah, I think so. We haven't addressed the
 15 kind of issues you've brought up of does the ERPP and
 16 ecosystem recovery program, is that unrealistic in terms
 17 of the amount of ag land it would take out of production.
 18 There's certainly a recognition that that's going to
 19 happen, and we want to make sure any program that goes
 20 forward, the those impacts are manageable and aren't
 21 significantly redirected to any group in particular. But
 22 fundamentally the group is with the notion that we've got
 23 to have a very strong ecosystem recovery program to
 24 restore reliability for all the other uses.

25 MR. HILDEBRAND: I wasn't referring only
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1 way down the river and much of the damage upstream's
 2 already been done they are very, very expensive. So we
 3 have looked at those.

4 We're more looking at the same off stream
 5 storage sites that CalFed is looking at both north and
 6 south of the delta. Sikes Reservoir (phonetic) is one
 7 certainly in the north it's gotten a lot of focus. Los
 8 Vicaros and Los Banos Grandes (phonetic) and Button
 9 Willow I think is another site in the south. Ranging
 10 from half million to two, three million acre feet

11 MR. HILDEBRAND: Are you suggesting the
 12 cost break foot of yield is greater on raising Shasta
 13 than it is on the other things?

14 MR. BUCK: As I recall on the numbers on
 15 Shasta it was.

16 MR. HILDEBRAND: Shasta I think is more
 17 expense. I don't think Friant is. Friant is in the same
 18 ballpark with all the rest of these

19 MR. BUCK: I don't think any detailed
 20 work's been done on Friant lately and that's -- I don't
 21 recall in the meetings I've been in it's been brought
 22 before the ag, urban groove.

23 MR. MADIGAN: Objection. Thank you.
 24 Public outreach two, outreach update, and BDAC
 25 involvement. Mary, you wanted to introduce it?

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1 MS. SELKIRK: As most of you know CalFed
2 has been in the process of scheduling and now conducting
3 a series of public meetings on the program, and we have
4 the CalFed new public information officer Kim Canevari
5 who's going to do a short presentation to you and give
6 you a better idea about how as a BDAC member you might be
7 involved in this.

8 MS. CANEVARI: Thank you very much. My
9 name is Kim Canevari with CalFed -- no, I'm not
10 nervous -- CalFed Bay program. And what I'm here today,
11 I'm the newest person on the staff. I've just started my
12 second month here and you'll be able to tell I'm the
13 newest CalFed person because I come to you overhead free
14 today. I have no overhead presentations for you, and I
15 apologize for that.

16 But what I do bring today is some
17 information on how we've stepped up our outreach in
18 anticipation of the release off the draft preferred
19 solution. We're becoming more proactive, we're expanding
20 our communication vehicles so we can reach a wider
21 audience than perhaps we have before, and we're becoming
22 more user friendly.

23 As an example of how we're becoming more
24 user friendly, I would direct your attention to all of
25 the various fact sheets we have on display in the hallway

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1 So really trying to do some outreach and again
2 communicate with some groups that we don't typically
3 communicate with all the time.
4 I just want to say, too, don't read
5 anything into the fact that this is black and blue. It
6 has nothing to do with color theory, it's just we thought
7 it would look nice on blue paper.

8 The other new newsletter is going to hit
9 the street early next week and that's a newsletter we're
10 calling Eco Update. We've had a lot of public interest
11 and involvement as we've gone through and developed the
12 ERPP and also in the ecosystem restoration projects. So
13 again this is a simple newsletter front and back that
14 puts in very simple language the material and information
15 that we have available. This is for people who don't
16 necessarily want to read the thousand page volumes but
17 are very interested in that program and in the process.

18 So again those are two new collateral
19 pieces that we have. Both the newsletters have
20 information on our new toll-free telephone phone number.
21 We're very excited about that. That just happened a
22 couple weeks ago. And so our new 800 number, you reach
23 an information line and you'll here recorded information.

24 We've also revised both the toll-free
25 number and the 916 information line, so the new

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1 outside the door.

2 Basically what we've done is taken a lot
3 of information translated from CalFedese into language
4 that lay people can understand about the many various
5 things we're doing, the program overview, alternatives at
6 a glance, the common programs and so forth.

7 We've also translated a couple of the fact
8 sheets into Spanish, and they are all on the Internet
9 site, they're fully downloadable and again this is so we
10 can convey information to people in a language they can
11 understand and they feel comfortable with.

12 Some other collateral pieces that we
13 recently develop are two new newsletters. One of them is
14 CalFed News and it's out on the hallway out there. And
15 basically what this was was just a front and back
16 newsletter and it was developed to communicate to people
17 who may not know too much about CalFed, the CalFed
18 process and what we're doing. So it just gave some very
19 basic information about what is CalFed, where are we now,
20 and some information on our public outreach meetings,
21 which I'll talk about in just a moment.

22 And we also expanded our distribution
23 beyond who we typically mail to. We mail this newsletter
24 to chairs of boards of supervisors, business leaders
25 statewide, a lot of reporters, mayors, and city managers.

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1 information is up front on the message. So instead of
2 having to listen to the general recorded information, you
3 can hear what's new, the new public outreach meetings or
4 perhaps what new materials are available. And then if
5 you don't need to or don't want to listen to the general
6 information, that's at the end of the message so again --

7 MR. MADIGAN: Sort of fifty cents a
8 minute, children under eighteen you must be an adult
9 to --

10 MS. CANEVARI: Trying to make it a little
11 more user friendly. And we're looking into expanding the
12 capability on the toll-free number so people can access
13 CalFed staff that way. So basically stay tuned. We're
14 going to try to expand our capabilities with that.

15 Another way that we've been able to expand
16 our capabilities is through our public affairs group.
17 The public affairs office also has an advisory group and
18 it's comprised of public affairs representatives from our
19 various CalFed agencies and also from various
20 stakeholders, many that are represented by people here in
21 this room today.

22 They've been a tremendous resource in
23 terms of helping us publicize the outreach meetings and
24 getting our information out to various constituencies.
25 They've really acted as our eyes and ears, let us know

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1 what's going on with various group and sharing what the
2 kinds of activities that they are doing with the media
3 and even helping us access news clippings in a timely
4 manner.

5 And the public affairs group has been very
6 helpful with publicizing our outreach meetings. And
7 we've had other help, too, particularly from some BDAC
8 members. Some of you have attended our meetings or
9 invited people to the meetings or provided lists of
10 people to invite and we thank you very much for that.

11 I wanted to talk just briefly about how
12 the public outreach meetings are going. I have two words
13 for you today on that. Success full. And the success is
14 because the format that we've developed seems to be
15 working, and the full is we've been getting good
16 attendance.

17 We've had two meetings so far. One in
18 Taylorsville -- everybody all together now where's
19 that -- and the other one in Walnut Grove just last
20 night.

21 These meetings are doing what they were
22 designed to do, and that is to provide a comfortable
23 format where people who are not necessarily technical
24 experts in water issues can common. They have an
25 opportunity to talk one-on-one with staff members if they

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1 activities over the next three months that I just want to
2 tell you briefly about.

3 First of all, ed board meetings. We've
4 already met with editorial boards from the Sacramento Bee
5 and Chronicle and Contra Costa Times, and Mr. Buck, feel
6 free to jump in if you want to talk about that. But
7 we've had some BDAC members helping us out with that and
8 also other stakeholders.

9 This has been a different approach because
10 usually when you go to an ed board meeting you're trying
11 to get an editorial, but in this case we're just getting
12 our foot in the door, again, just letting them know
13 what's happening with the CalFed process, and asking them
14 if we can come back early next year and talk with them
15 about the draft preferred solution. That's been very
16 well received.

17 We're also working on open ed placement,
18 and these are general pieces that will be targeted to
19 special audiences. Business audiences, ethnic audiences,
20 and so forth. We'll be continuing to reach out to
21 various groups that we want to communicate more with. I
22 just mentioned a couple of them. Business leaders,
23 ethnic audiences.

24 We want to expand government audiences
25 that we're reaching out to, and again we're going to be

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1 don't want to ask questions in front of a big group. And
2 they can learn -- they can kind of get CalFed on their
3 radar screen so to speak and learn how they can become
4 part of the solution. I think the meetings have been
5 very successful so far in doing that, getting the public
6 to come out.

7 The outreach meetings have been well
8 attended partly due to some BDAC members efforts. We've
9 had some BDAC and stakeholder participation in doing
10 radio talk shows. In fact, we did five radio talk shows
11 in Taylorsville, which I thought was outstanding.

12 The radio stations have also been reading
13 or public service announcements so that's more free
14 publicity. And we've done the usual stuff. News
15 releases. We've gotten good print coverage.

16 Did the usual mailings to thirty-eight
17 hundred people, sent out individuals notices and also
18 invited people some referrals that we did receive from
19 BDAC members.

20 So word's getting out. People are
21 attending our public meetings. We have six more. Next
22 one is in San Francisco tomorrow night. And really the
23 words getting out that this is must CAV.

24 That's what we're doing to get people
25 ready now for the release, but we're also doing

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1 doing this in a number of ways. We're stepping up our
2 speaking engagements, spending some quality time with our
3 various mailing data bases so we're not solely
4 communicating with the usual suspects. And I've already
5 mentioned how we've got some good communication vehicles.

6 So I know you're sitting there thinking
7 how can I as a BDAC member participate? I'll give you
8 five quick easy ways that you can if you're not already.
9 As I said, many of you have been helping us.

10 You can attend a meeting, one of our
11 outreach meetings. We've got the schedules right out
12 there. I know you've already received them. You can
13 invite local community leaders such as yourself to attend
14 the meetings. You can make yourself available for local
15 speaking engagements or when we call and ask you to agree
16 to be interviewed for a radio talk show you can say yes.
17 You can host the local meeting in your own area or tell
18 us about local meetings that perhaps we can attend and
19 make a presentation. And finally help us place our fact
20 sheets. If you would like to help us get our fact sheets
21 out or know of somewhere where we can distribute them,
22 let us know.

23 And in turn, CalFed public affairs will
24 support you. We have a variety of facts sheets, again on
25 display out in the hallway. We can put together

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1 Information packets for you. We have speaking points. If
2 you agree to do a talk show radio interview. We have a
3 power point presentation that's on the Internet and fully
4 downloadable if you'd like to do that. We have a slide
5 presentation which again is fully scripted, and we can
6 customize that for you. And, yes, we do have overheads
7 available.

8 What I'd like to leave you with is the
9 knowledge that we are stepping up our outreach, we're
10 becoming much more proactive, we're working on
11 communicating with and including even more groups than we
12 have in the past.

13 BDAC is a very valuable resource as we do
14 this, and we hope that you're not only a valuable
15 resource to us but we can be helpful to you in your own
16 outreach efforts. That's all I have to say about that
17 unless there are any questions.

18 MR. MADIGAN: Byron.

19 MR. BUCK: I just wanted to compliment Kim
20 and the staff that this effort's really come up a lot in
21 the past couple months. I think it's really getting out
22 to a lot of areas. I did participate in some of the
23 radio shows and I was invited to editorial briefings
24 with a couple other stakeholders. It's working well. I
25 think the message is getting out. And it's an absolutely

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1 more of these meetings scheduled, another round of them?
2 Do you have a certain group scheduled now? Or are you
3 going to keep doing this? Or how's it going to work?

4 MS. CANEVARI: The current plan is that we
5 have these big formal meetings and that schedule is
6 pretty well set. But I do believe that we're pursuing
7 opportunities in the Bakersfield, Kern County area to do
8 some more of the quote, unquote, informal smaller
9 meetings but hopefully just as effective. So through
10 December this schedule seems to be pretty well set.

11 MR. PYLE: I just mentioned an effective
12 item and sometimes you can get before the press this way
13 is that I would be glad to work with you and Kern County
14 supervisor to get you ten minutes before the board of
15 supervisors.

16 They will have a series of, you know,
17 public interest items that they'll bring up, nonaction
18 items, and we generally have pretty good luck with a
19 couple of our supervisors who are interested in water
20 meetings who will help us schedule that type of thing.
21 So ten minutes with somebody there accompanied with a
22 local person sometimes works pretty well.

23 MS. CANEVARI: That would be fantastic,
24 and that's just the kind of contact and information we
25 need from you. So thank you.

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1 critical time that we widen the circle from beyond the
2 kind of water wants we've got here to the real public out
3 there to bring them in as to what's going on.

4 MR. MADIGAN: Thank you, Kim. Nice
5 report. I'm sorry, two more questions Bob and Stu.

6 MR. RAAB: I've had a little success in
7 trying to get people in Marin County, my neighborhood, to
8 go to the meeting tomorrow night because they say, oh,
9 I'm waiting for the preferred alternative to come out.
10 And so we have something -- they have something they can
11 really sink their teeth into.

12 So I mention this because I think there's
13 going to be a quantum leap in interest in CalFed when
14 that preferred alternative comes out, and I think then
15 you'll find that there's much more opportunity for and
16 more people wanting to attend more meetings.

17 MR. MADIGAN: Thank you, Stu.

18 MR. PYLE: You have the current series of
19 public meetings held, the ones you just talked about,
20 Bob's talked about, and you have one coming up in Fresno
21 next week. And I'm from Bakersfield, and I'm just not
22 very hopeful that we'll get people from Bakersfield to
23 drive to Fresno, a hundred miles, for an evening meeting
24 and still come back.

25 And I guess I just wondered, do you have
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1 MR. MADIGAN: Ann.

2 MS. NOTTOFF: Just it's good to see we're
3 investing more resources and getting the word out
4 because -- I think evidence of the public comment would
5 have been having today and yesterday at BDAC is we are --
6 there are some new faces in the audience. And I think
7 that's a good outgrowth of that.

8 The environmental water caucus is very
9 interested in trying to help you in whatever way we can
10 get the word out. I assume the Jen Olson who is our
11 outreach coordinator is on your advisory group, and I
12 would --

13 MS. CANEVARI: Yes, she is.

14 MS. NOTTOFF: -- hope you would rely on
15 her as much as possible. The other issue you referenced
16 that I think we really need to do a better job of is
17 getting out to communities that have been under
18 represented in the water debate to date. I think there's
19 actually -- I think it would be great -- there's a report
20 that was made by -- produced by the Pacific Institute
21 that talks about silent -- giving voice to the silence,
22 and think that would be useful for BDAC members to see.
23 I would encourage us to get that around to people.

24 And I want to encourage you to be -- to
25 really put more emphasis on that because I think as -- I

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1 think Bob's exactly right, as we're going -- as we get a
2 proposal out on the streets, we don't want to surprise
3 people.

4 MR. MADIGAN: Mary.

5 MS. SELKIRK: Kim, you probably know more
6 about this than I do, but I believe there is in process
7 now a plan to specifically focus on extending outreach
8 into minority communities and communities throughout the
9 valley that are routinely under represented and under
10 sought after in terms of feedback and participation. So
11 that is something I know that Judy has been spearheading
12 to make happen.

13 MS. CANEVARI: That's correct.

14 MR. MADIGAN: Okay. Thank you. Thank you
15 very much. Good report. It is picking up and that's
16 good. The agenda for December and January meetings.
17 Mary.

18 MS. SELKIRK: I just wanted to go over
19 briefly with you what we have so far for the schedule for
20 December 12th which is the next meeting. It will be a
21 one-day meeting. I believe it's here in Sacramento.

22 Obviously the major agenda item will be
23 the outcome of the interagency development team who will
24 hopefully have have a draft of the hybrid preferred
25 alternative for BDAC review, comment, deliberation.

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1 eight million dollars has come from water users in Kern
2 County. There's a disproportionate representation on the
3 funding of this effort so far. And Jim Costa was pretty
4 clear last night that there's a wide statewide interested
5 in this and there should be some funding all over from
6 this.

7 So there should be some effort to get this
8 into the governor's budget for next year. And I think
9 maybe you should rely on the contacts that BDAC members
10 have, the influence they have, to try to help devise some
11 type of funding. Maybe Lester, maybe he and the
12 department, maybe they've got ideas about how to carry
13 that out. I think BDAC deserves to know about that. And
14 on the other hand to the extent BDAC people can help with
15 the political support to get this funding placed where it
16 ought to be, that it would be a good thing to put before
17 BDAC.

18 MR. MADIGAN: Okay. Thank you. Alex,
19 then Ann.

20 MR. HILDEBRAND: I'm not very comfortable
21 about having them come to us in December with a proposed
22 preferred alternative when we haven't yet had any luck at
23 their hybrid proposals that -- between which, among which
24 they are going to choose.

25 Obviously there's a lot to be done to fine

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1 There will also be a full review of the
2 scientific review panel on the ERPP and also the work
3 plan that CalFed will have devised to integrate all the
4 feedback to date on the ERPP.

5 I just wanted to point out a couple other
6 agenda items that came out of today that will be on the
7 agenda. One has to do -- one is the bureau response to
8 EDF regarding the Westlands water question. The second,
9 the foregoing is how B2 will be integrated into CalFed,
10 specifically the ERPP and the restoration fund issues.
11 Those are raised today as well. If there are any other
12 agenda items anybody wants to make sure is on, let me
13 know.

14 MR. MADIGAN: Stu.

15 MR. PYLE: I think for a couple reasons,
16 but one of them being the subject that Jim Costa brought
17 up last night regarding the expenditures cost of the
18 CalFed effort. He mentioned some forty-six million over
19 the two to two and a half to three year period and the
20 fact that the states share currently, which is about ten
21 million dollars paid and that about seven million of that
22 has come from the state water contractors.

23 And what I relate that back to the -- just
24 to exactly our state water contractors, you can compute
25 back out of seven million dollars that about one point

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1 tune and improve the number two and number three type
2 things before they should be compared. And I'm afraid if
3 we take that all one step at a time instead of by two
4 steps that the biases about how you select between the
5 two are not going to get resolved very well.

6 So if we're not going to have another
7 meeting before we are presented with a preferred
8 alternative I think they should at least send out to us
9 in advance and time for comment the proposals as to what
10 are the three refined hybrid proposals among which we're
11 going choose.

12 MR. MADIGAN: Mary. Okay.

13 MS. SELKIRK: I know that that's been a
14 concern of a number of people in the CalFed staff about
15 how to do that. Maybe Dick, you'd like to respond to
16 that.

17 MR. DANIELS: Why me?

18 MS. SELKIRK: You're the only one left.

19 MR. DANIELS: I think the intent is to
20 bring to BDAC a more completely developed set of three
21 hybrid alternatives that are not only more completely
22 developed but responsive to the comments that we were
23 soliciting from you today.

24 Obviously something like one of those
25 three hybrids is going to be the basis for a preferred

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1 alternative, but even that may not be the case based on
2 the advice we get from you all in terms of well, you
3 would do a better job with this by doing that. Those
4 kinds of comments.

5 But I don't think the intent is walk in
6 here and say here it is, vote yes or no, but rather to
7 more completely disclose the three best ways of dealing
8 with movement of water across the delta and the
9 combinations of storage that work with that and how they
10 perform at least at a programmatic level.

11 MS. NOTTOFF: In structuring the agenda, I
12 think it would be good to have the -- in the spirit of
13 trying to incorporate HCP into the CalFed process let's
14 talk about the HCP with the scientific review panel or
15 ERPP discussion.

16 MR. MADIGAN: Byron.

17 MR. BUCK: Just to echo something Ann said
18 at our work group. The more that staff can provide on in
19 terms of getting to these hybrid alternatives as to how
20 the decisions were made, why they were made, the better
21 documentation we have in doing that I think the better
22 off we'll all be to just make sure we're keeping up with
23 the thought process.

24 MR. HILDEBRAND: I agree.

25 MR. MADIGAN: Okay.

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1 discrete topics we're trying to get down to detail on for
2 bringing people out. I found we probably didn't have
3 enough time to cover what we were asked to cover so
4 that's why we got to be judicious about them and when we
5 do them we need to allow ample time to really make them
6 effective.

7 MR. MADIGAN: All right.

8 MR. PYLE: I think breakouts are good.

9 MR. MADIGAN: All right.

10 MR. PYLE: It gives people who don't speak
11 up a lot at the meetings a lot a chance to get in.

12 MR. MADIGAN: Okay. January.

13 MS. SELKIRK: It looks like the thinking
14 is to schedule a BDAC meeting after the release of the
15 EIR. That's what Sunne had expressed strongly.
16 Originally the thinking was that that would be at the end
17 of January. Now Lester says mid to late February. And
18 the proposal is to have another two day meeting in
19 southern California in mid, late February.

20 MR. DUNNING: So we only have one more
21 time for input before the EIR is put out in draft. I
22 wonder if that is adequate.

23 MR. HILDEBRAND: It doesn't give us a
24 chance to look at the question of how you choose among
25 the three hybrid alternatives before you end up making the

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1 MS. SELKIRK: Just one more thought in
2 terms of scheduling the agenda, maybe we'll have a better
3 idea how all these public meetings go, but I think we
4 need to -- if we're generating more public interest we
5 probably need to make -- be more realistic about how much
6 time the public comment time will take on the agenda.

7 MR. MADIGAN: Yeah, fair point. Okay.

8 MS. SELKIRK: I have one other question.
9 As long as there are a few of you here who are still
10 captive. Which is feedback about having breakout groups
11 as part of the meeting's agenda, whether you find that to
12 be helpful or not.

13 MR. MADIGAN: Hap.

14 MR. DUNNING: Being realistic on the
15 public comment, I think that also goes with for our basic
16 time allocated for BDAC discussion. I think today there
17 were a couple situations where it wasn't realistic from
18 the beginning and it messes up things in terms of orderly
19 progress on the agenda. Are you going to talk about the
20 January?

21 MS. SELKIRK: Yes, I'm sorry.

22 MR. DUNNING: As well as the content?

23 MS. NOTTOFF: I thought it was good. I
24 would encourage us to do it again.

25 MR. BUCK: I think they are useful for

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1 EIR on the preferred alternative.

2 MS. SELKIRK: I'm assuming that that will
3 be the major subject of the December meeting.

4 MR. HILDEBRAND: We just heard that the
5 December meeting is going to present to us three hybrid
6 alternatives without selecting a preferred alternative.
7 So we need to go another step agreeing on a preferred
8 alternative before they can do the EIS. It seems we need
9 a January meeting to do the former and then a February
10 meeting for the EIS part.

11 MS. SELKIRK: That's an idea.

12 MS. NOTTOFF: I agree.

13 MR. MADIGAN: Anybody else?

14 MS. NOTTOFF: I assume the thinking is
15 that January is going to be a difficult month to put a
16 BDAC meeting together on, but if in fact the release of
17 the EIS is such the schedule is such would permit a
18 second look at it from BDAC in January, I would encourage
19 us to try and do that.

20 MR. BUCK: I would agree unless it's gone
21 through the policy group to the point where they do have
22 a preferred alternative. That should be brought to us in
23 December and we should see if we can follow the trail as
24 to how they got there.

25 MR. MADIGAN: It sounds like we should

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1 plan for January meeting then make a decision on that in
 2 December if for some reason --
 3 MR. BUCK: I agree.
 4 MR. MADIGAN: -- It's not necessary.
 5 MS. SELKIRK: What are other peoples views
 6 on that?
 7 MR. HILDEBRAND: What's the date going to
 8 be then?
 9 MS. SELKIRK: Originally the January
 10 meeting was going to be scheduled at the end of the
 11 month. However, if -- because I think the thinking was
 12 it may end up being more toward the middle part of the
 13 month because that the original thinking was that there
 14 would have been an EIR released.
 15 MR. MADIGAN: Why don't you get a fast
 16 scan on this question with Lester and then get a note out
 17 so everybody can drop it in and schedule their ski trips
 18 around it. Whatever people do when they actually have a
 19 life.
 20 MS. SELKIRK: We'll shoot for mid January
 21 and not on a Tuesday.
 22 MR. MADIGAN: All right. Questions
 23 anymore about the agenda? If not then we move on to
 24 public comment. I have no remaining green slips in front
 25 of you of me from the audience. Does anybody else wish

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8
 9 I do hereby certify that the foregoing
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 17

18
 19 Katherine L. Cardozo, CSR 6344
 20

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1 to be heard today? If not we are mercifully adjourned.
 2 (Conclusion of proceedings at 2:15 p.m.)
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